Oakdale Irrigation District
Annual Financial Report
December 31, 2020 and 2019

1205 East F Street, Oakdale, CA 95361 | www. oakdaleirrigation.com

Oakdale Irrigation District

Board of Directors as of December 31, 2020

Name	Division	Title
Edward Tobias	1	Director
Herman Doornenbal	2	Director
Tom Orvis	3	President
Linda Santos	4	Director
Brad DeBoer	5	Vice President

Steve Knell, General Manager / Secretary
Sharon Cisneros, CPA, Chief Financial Officer / Treasurer

Oakdale Irrigation District
Annual Financial Report
For the Years Ended December 31, 2020 and 2019

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Financial Section

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Independent Auditor's Report

Board of Directors
Oakdale Irrigation District
Oakdale, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Oakdale Irrigation District (District), as of and for the years ended December 31, 2020 and 2019, and the related notes to the 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 controls 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 an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audits 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Oakdale Irrigation District as of December 31, 2020 and 2019, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Independent Auditor's Report, continued

Emphasis-of-Matter

Restatement of Net Position

As discussed in Note 12 to the financial statements, as of and for the year ended December 31, 2019, the District restated its account and transaction balance and beginning net position related to the investment in the Tri-Dam Project. Our opinion is not modified with respect to this matter.

Other-Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9 and the required supplementary information on pages 50 through 52 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audits 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

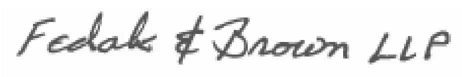
Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The combining schedules on pages 53 through 63 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits 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 by us. In our opinion, based on our audits and the procedures performed as described above, the combining schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Independent Auditor's Report, continued

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 21, 2021, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance. This report can be found on pages 64 and 65.



Fedak & Brown LLP
Cypress, California
June 21, 2021

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The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the Oakdale Irrigation District (District) provides an introduction to the financial statements of the District for the years ended December 31, 2020 and 2019. We encourage readers to consider the information presented here in conjunction with the basic financial statements and related notes, which follow this section.

Financial Highlights

- In 2020, the District's net position increased 2.22% or $4,592,638. In 2019, the District's net position increased 6.80% or $13,185,888.
- In 2020, the District's operating revenues increased 9.46% or $431,551. In 2019, the District's operating revenues decreased 57.15% or $6,084,426.
- In 2020, the District's non-operating revenues decreased 24.53% or $5,458,501. In 2019, the District's non-operating revenues increased 64.15% or $8,697,886.
- In 2020, the District's total expenses increased 11.82% or $1,818,270. In 2019, the District's total expenses decreased 1.66% or $259,506.

Required Financial Statements

This annual report consists of a series of financial statements. The Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, and Statements of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Statement of Net Position includes all of the District's investments in resources (assets), deferred outflows of resources, the obligations to creditors (liabilities), deferred inflows of resources, and net position. It also provides the basis for computing a rate of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, non-capital financing, and capital and related financing activities, and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

Financial Analysis of the District

One of the most important question asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the District in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

Financial Analysis of the District, continued

These two statements report the District's *net position* and changes in it. You can think of the District's net position – the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources – as one way to measure the District's financial health, or *financial position*. Over time, *increases or decreases* in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning, and new or changed government legislation, such as changes in Federal and State water quality standards.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the basic financial statements can be found on pages 15 through 49.

Statements of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $211,815,323 and $207,222,685 as of December 31, 2020 and 2019, respectively.

Condensed Statements of Net Position

	2020	As Restated 2019	Change	As Restated 2018	Change
Assets:					
Current assets	$ 68,024,487	71,030,307	(3,005,820)	68,649,447	2,380,860
Non-current assets	65,425,649	60,446,377	4,979,272	59,241,536	1,204,841
Capital assets, net	110,557,765	109,685,267	872,498	102,834,139	6,851,128
Total assets	244,007,901	241,161,951	2,845,950	230,725,122	10,436,829
Deferred outflows of resources	3,747,540	3,810,782	(63,242)	3,943,562	(132,780)
Liabilities:					
Current liabilities	5,130,170	6,335,433	(1,205,263)	8,736,959	(2,401,526)
Non-current liabilities	30,773,643	31,335,483	(561,840)	31,861,079	(525,596)
Total liabilities	35,903,813	37,670,916	(1,767,103)	40,598,038	(2,927,122)
Deferred inflows of resources	36,305	79,132	(42,827)	33,849	45,283
Net position:					
Net investment in capital assets	87,289,938	85,533,778	1,756,160	77,874,154	7,659,624
Restricted	1,278,187	1,433,363	(155,176)	1,361,217	72,146
Unrestricted	123,247,198	120,255,544	2,991,654	114,801,426	5,454,118
Total net position	$ 211,815,323	207,222,685	4,592,638	194,036,797	13,185,888

Statements of Net Position, continued

A portion of the District's net position, 41.21% and 41.28% as of December 31, 2020 and 2019, respectively, reflects the District's investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to customers within the District's service area; consequently, these assets are *not* available for future spending.

As of December 31, 2020 and 2019, the District showed a positive balance in its unrestricted net position of $123,247,198 and $120,255,544, respectively. See note 11 for further discussion.

Statements of Revenues, Expenses, and Changes in Net Position

The statements of revenues, expenses, and changes in net position show how the District's net position changed during the years. In the case of the District, net position increased 2.22% or $4,592,638 from $207,222,685 to $211,815,323, as a result of ongoing operations for the year ended December 31, 2020. In 2019, the District's net position increased 6.80% or $13,185,888 from $194,036,797 to $207,222,685, as a result of ongoing operations.

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	2020	As Restated 2019	Change	As Restated 2018	Change
Revenues:					
Operating revenues	$ 4,994,079	4,562,528	431,551	10,646,954	(6,084,426)
Non-operating revenues	16,798,171	22,256,672	(5,458,501)	13,558,786	8,697,886
Total revenues	21,792,250	26,819,200	(5,026,950)	24,205,740	2,613,460
Expenses:					
Operating expenses	12,928,524	11,454,932	1,473,592	11,820,751	(365,819)
Depreciation expense	3,239,929	2,862,049	377,880	2,666,988	195,061
Non-operating expenses	1,032,159	1,065,361	(33,202)	1,154,109	(88,748)
Total expenses	17,200,612	15,382,342	1,818,270	15,641,848	(259,506)
Net income before capital contributions	4,591,638	11,436,858	(6,845,220)	8,563,892	2,872,966
Capital contributions	1,000	1,749,030	(1,748,030)	1,282,193	466,837
Changes in net position	4,592,638	13,185,888	(8,593,250)	9,846,085	3,339,803
Net position, beginning of year	207,222,685	194,036,797	13,185,888	184,190,712	9,846,085
Net position, end of year	$ 211,815,323	207,222,685	4,592,638	194,036,797	13,185,888

Statements of Revenues, Expenses, and Changes in Net Position, continued

A closer examination of the sources of changes in net position reveals that:

In 2020, the District's operating revenues increased 9.46% or $431,551, due primarily to increases of $317,633 in agriculture water service fees and sales and $177,504 in out of District water sales. In 2019, the District's operating revenues decreased 57.15% or $6,084,426, due primarily to decreases of $5,951,635 in out of District water sales and $124,441 in agriculture water service fees and sales.

In 2020, the District's non-operating revenues decreased 24.53% or $5,458,501, due primarily to decreases of $6,324,160 in the change in investment in the Tri-Dam Project and $1,008,243 in investment earnings; which were offset by increases of $1,019,201 in property taxes and $785,500 in the change in investment in the Tri-Dam Authority. In 2019, the District's non-operating revenues increased 64.15% or $8,697,886, due primarily to increases of $9,591,278 in the change in investment in the Tri-Dam Project, $229,827 in property taxes, and $157,295 in investment earnings; which were offset by a decrease of $1,257,500 in the change in investment in the Tri-Dam Authority.

In 2020, the District's operating expenses increased 12.86% or $1,473,592, due primarily to increases of $1,439,801 in operation and maintenance and $620,125 in water operations; which were offset by a decrease of $586,334 in general and administrative. In 2019, the District's operating expenses decreased 3.09% or $365,819, due primarily to decreases of $262,541 in general and administrative and $160,693 in operation and maintenance; which were offset by an increase of $57,415 in water operations. Depreciation expense increased $377,880 for the year ended December 31, 2020, and increased $195,061 for the year ended December 31, 2019.

In 2020, the District's non-operating expenses decreased 3.12% or $33,202, due primarily to a decrease of $35,246 in interest expense. In 2019, the District's non-operating expenses decreased 7.69% or $88,748, due primarily to a decrease of $66,103 in the gain from sale of capital assets.

Capital Asset Administration

As of December 31, 2020 and 2019, the District's capital assets (net of accumulated depreciation) amounted to $110,557,765 and $109,685,267, respectively. Capital assets (net of accumulated depreciation) include land, water distribution and treatment plant, dams and reservoirs, buildings and structures, equipment, vehicles, and construction-in-process. See note 7 for further discussion.

Change in capital asset amounts for 2020 was as follows:

	Balance 2019	Additions	Transfers/ Deletions	Balance 2020
Capital assets:				
Non-depreciable assets	$ 11,708,209	3,511,144	(8,887,987)	6,331,366
Depreciable assets	144,130,011	9,489,270	(195,197)	153,424,084
Accumulated depreciation	(46,152,953)	(3,239,929)	195,197	(49,197,685)
Total capital assets, net	$ 109,685,267	9,760,485	(8,887,987)	110,557,765

Capital Asset Administration, continued

Change in capital asset amounts for 2019 was as follows:

	Balance 2018	Additions	Transfers/ Deletions	Balance 2019
Capital assets:				
Non-depreciable assets	$ 25,525,268	8,259,548	(22,076,607)	11,708,209
Depreciable assets	120,610,454	23,530,236	(10,679)	144,130,011
Accumulated depreciation	(43,301,583)	(2,862,049)	10,679	(46,152,953)
Total capital assets, net	$ 102,834,139	28,927,735	(22,076,607)	109,685,267

Debt Administration

For the year ended December 31, 2020 and 2019, long-term debt decreased by $1,047,447 and $972,281, respectively, due primarily to regular principal payment and amortization of premium on the District's outstanding debt. See note 9 for further discussion.

Change in long-term debt amounts for 2020 was as follows:

	Balance 2019	Additions/ Deletions	Principal Payments	Balance 2020
Long-term debt:				
Certificate of participation	$ 26,824,072	-	(993,372)	25,830,700
Loans payable	439,338	-	(54,075)	385,263
Total long-term debt	27,263,410	-	(1,047,447)	26,215,963
Less: current portion	(862,405)			(899,337)
Non-current portion	$ 26,401,005			25,316,626

Change in long-term debt amounts for 2019 was as follows:

	Balance 2018	Additions/ Deletions	Principal Payments	Balance 2019
Long-term debt:				
Certificate of participation	$ 27,782,444	-	(958,372)	26,824,072
Loans payable	453,247	-	(13,909)	439,338
Total long-term debt	28,235,691	-	(972,281)	27,263,410
Less: current portion	(801,835)			(862,405)
Non-current portion	$ 27,433,856			26,401,005

Economic Factors and Other Conditions Affecting Current Financial Position

Regional and statewide water supply issues continue to threaten the District's water rights and ultimately its long-term water supply reliability. As a result of a growing state population and no new significant reservoir storage being built, competition for limited water resources is increasing, making for challenging times ahead in managing water supply and financial resources for many California water and irrigation districts. The revision of the 1995 Water Quality Plan for the Bay-Delta Estuary is a case in point. Californian's State Water Board is seeking 40% of the Unimpaired Flows in the Merced, Tuolumne, and Stanislaus Rivers as part of a Phase I implementation to free up water for fishery purposes. They will be seeking 60% of UIF in the Sacramento Basin. While currently in litigation, the loss of such water would truly change the face of the Central Valley of our State.

A significant portion of the District's costs are fixed, such as debt service on bonds, maintenance, system operations, labor, benefits, and administrative costs. The District has and will continue to provide the best possible service and manage these costs to the betterment of the District's customers.

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings. However, the related financial impact on the District and the duration cannot be estimated at this time.

Management is unaware of any other conditions which could have a significant impact on the District's current financial position, net position, or operating results in terms of past, present, and future.

Requests for Information

This financial report is designed to provide the District's funding sources, customers, stakeholders, and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District's General Manager or Chief Financial Officer at 1205 East F Street, Oakdale, California 95361 or by phone (209) 847-0341.

Basic Financial Statements

Oakdale Irrigation District
Statements of Net Position
December 31, 2020 and 2019

		2020	As Restated 2019
Current assets:			
Cash and cash equivalents (note 2)	$	28,456,890	37,735,334
Restricted – cash and cash equivalents (note 2)		1,395,711	1,621,892
Investments (note 2)		32,925,536	26,933,310
Accrued interest receivable		244,499	306,631
Accounts receivable – water sales and services		156,054	386,098
Accounts receivable – other		3,368	12,611
Property tax receivable		1,689,854	773,592
Assessment receivable – ID No. 52		348,501	439,338
Due from other government agencies (note 3)		391,684	563,396
Prepaid expenses and other deposits		837,195	661,856
Materials and supplies inventory		662,921	678,140
Long-term assets – due in one year:			
Annexation fees receivable (note 5)		912,274	918,109
Total current assets		68,024,487	71,030,307
Non-current assets:			
Investments (note 2)		10,590,260	761,850
Investment in joint-powers authorities (note 6)		42,526,117	46,495,387
Capital assets – not being depreciated (note 7)		6,331,366	11,708,209
Capital assets – being depreciated, net (note 7)		104,226,399	97,977,058
Long-term assets – due after one year:			
Annexation fees receivable (note 5)		12,309,272	13,189,140
Total non-current assets		175,983,414	170,131,644
Total assets		244,007,901	241,161,951
Deferred outflows of resources:			
Deferred pension outflows (note 10)		799,404	698,861
Deferred loss on defeasance of debt		2,948,136	3,111,921
Total deferred outflows of resources	$	3,747,540	3,810,782

Continued on next page

See accompanying notes to the basic financial statements

Oakdale Irrigation District
Statements of Net Position, continued
December 31, 2020 and 2019

		2020	As Restated 2019
Current liabilities:			
Accounts payable and accrued expenses	$	387,153	2,001,921
Due to other government agencies		-	5,171
Debt service payment received for the District		57,298	93,566
Other payables		37,345	-
Accrued payroll and employee benefits		294,201	244,824
Accrued interest payable		420,457	435,354
Deposits for work-orders		325,591	200,356
Unearned revenue		2,070,978	1,992,848
Long-term liabilities – due in one year:			
Compensated absences (note 8)		637,810	498,988
Certificate-of-participation (note 9)		865,000	830,000
Loans payable (note 9)		34,337	32,405
Total current liabilities		5,130,170	6,335,433
Non-current liabilities:			
Long-term liabilities – due in more than one year:			
Compensated absences (note 8)		366,902	408,263
Certificate-of-participation (note 9)		24,965,700	25,994,072
Loans payable (note 9)		350,926	406,933
Net pension liability (note 10)		5,090,115	4,526,215
Total non-current liabilities		30,773,643	31,335,483
Total liabilities		35,903,813	37,670,916
Deferred inflows of resources:			
Deferred pension inflows (note 10)		36,305	79,132
Total deferred inflows of resources		36,305	79,132
Net position: (note 11)			
Net investment in capital assets		87,289,938	85,533,778
Restricted		1,278,187	1,433,363
Unrestricted		123,247,198	120,255,544
Total net position	$	211,815,323	207,222,685

See accompanying notes to the basic financial statements

Oakdale Irrigation District
Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended December 31, 2020 and 2019

		2020	As Restated 2019
Operating revenues:			
Agriculture water fees and sales	$	3,516,215	3,198,582
Domestic water sales		222,316	215,124
Out of District water sales		793,967	616,463
Other water service charges		461,581	532,359
Total operating revenues		4,994,079	4,562,528
Operating expenses:			
Operation and maintenance		6,081,461	4,641,660
General and administrative		3,045,736	3,632,070
Water operations		3,801,327	3,181,202
Total operating expenses		12,928,524	11,454,932
Operating loss before depreciation expense		(7,934,445)	(6,892,404)
Depreciation expense		(3,239,929)	(2,862,049)
Operating loss		(11,174,374)	(9,754,453)
Non-operating revenues(expenses):			
Property taxes		3,871,220	2,852,019
Assessment revenue – ID No. 52		53,384	13,909
Investment earnings		1,016,611	2,024,854
Rental revenue		14,000	6,000
Change in investment in Tri-Dam Project		8,601,730	14,925,890
Change in investment in Tri-Dam Authority		3,219,500	2,434,000
Gain(loss) from sale of capital assets		21,726	-
Interest expense – long-term debt		(1,030,115)	(1,065,361)
Other non-operating expense		(2,044)	-
Total non-operating revenues, net		15,766,012	21,191,311
Net income before capital contributions		4,591,638	11,436,858
Capital contributions:			
Contributed capital		1,000	1,749,030
Total capital contributions		1,000	1,749,030
Changes in net position		4,592,638	13,185,888
Net position, beginning of year (note 12)		207,222,685	194,036,797
Net position, end of year	$	211,815,323	207,222,685

See accompanying notes to the basic financial statements

Oakdale Irrigation District
Statements of Cash Flows
For the Years Ended December 31, 2020 and 2019

		2020	2019
Cash flows from operating activities:			
Cash receipts from customers for water sales and services	$	5,608,443	4,685,300
Cash paid to vendors and suppliers for materials and services		(7,909,655)	(6,467,562)
Cash paid to employees for salaries and wages		(6,030,430)	(6,194,482)
Net cash used in operating activities		(8,331,642)	(7,976,744)
Cash flows from non-capital financing activities:			
Proceeds from property taxes		2,954,958	2,101,105
Proceeds from assessment ID No. 52		107,953	43,861
Proceeds from annexation fees		885,703	859,907
Interest on annexation agreement		437,634	449,015
Net cash provided by non-capital financing activities		4,386,248	3,453,888
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets		(4,112,427)	(9,713,177)
Proceeds from the sale of capital assets		21,726	-
Proceeds from capital contributions		1,000	1,749,030
Principal paid on long-term debt		(1,047,447)	(972,281)
Interest paid on long-term debt		(1,045,012)	(1,067,076)
Net cash used in capital and related financing activities		(6,182,160)	(10,003,504)
Cash flows from investing activities:			
Interest and investment earnings		641,109	1,728,603
Rental revenue		14,000	6,000
Rental expense		(2,044)	-
Purchase of securities		(202,105,819)	(215,630,214)
Proceeds from sale of securities		186,285,183	248,012,327
Tri-Dam Power Authority cash distributions		3,219,500	2,434,000
Tri-Dam Project cash distribution		12,571,000	9,126,000
Net cash provided by investing activities		622,929	45,676,716
Net increase(decrease) in cash and cash equivalents		(9,504,625)	31,150,356
Cash and cash equivalents, beginning of year		39,357,226	8,206,870
Cash and cash equivalents, end of year	$	29,852,601	39,357,226

Reconciliation of cash and cash equivalents to the statements of net position:

		2020	2019
Cash and cash equivalents	$	28,456,890	37,735,334
Restricted – cash and cash equivalents		1,395,711	1,621,892
Total cash and cash equivalents	$	29,852,601	39,357,226

Continued on next page

See accompanying notes to the basic financial statements

Oakdale Irrigation District
Statements of Cash Flows, continued
For the Years Ended December 31, 2020 and 2019

		2020	As Restated 2019
Reconciliation of operating loss to net cash used in operating activities:			
Operating loss	$	(11,174,374)	(9,754,453)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation expense		3,239,929	2,862,049
Change in assets, deferred outflows, liabilities, and deferred inflows:			
(Increase)Decrease in assets:			
Accounts receivable – water sales and services		230,044	(130,288)
Accounts receivable – other		9,243	2,200
Due from other government agencies		171,712	714,108
Prepaid expenses and other deposits		(175,339)	(66,543)
Materials and supplies inventory		15,219	187,289
(Increase)Decrease in deferred outflows of resources:			
Deferred pension outflows		(100,543)	(31,005)
Deferred loss on defeasance of debt		163,785	163,785
Increase(Decrease) in liabilities:			
Accounts payable and accrued expenses		(1,614,768)	(2,002,045)
Due to other government agencies		(5,171)	3,743
Other payables		37,345	(4,800)
Accrued payroll and employee benefits		49,377	40,181
Deposits for work-orders		125,235	187,056
Unearned revenue		78,130	(650,304)
Compensated absences		97,461	(83,001)
Net pension liability		563,900	540,001
Increase(Decrease) in deferred inflows of resources:			
Deferred pension inflows		(42,827)	45,283
Total adjustments		2,842,732	1,777,709
Net cash used in operating activities	$	(8,331,642)	(7,976,744)
Non-cash investing, capital, and financing transaction:			
Change in fair value of investments	$	(233,459)	(70,558)
Change in undistributed investment in Tri-Dam Project	$	(3,969,270)	5,799,890

See accompanying notes to the basic financial statements

(1) Reporting Entity and Summary of Significant Accounting Policies

A. Organization and Operations of the Reporting Entity

The Oakdale Irrigation District (District) was formed on November 1, 1909, pursuant to the provisions of the California Water Code. Geographically, the District encompasses parts of the San Joaquin and Stanislaus Counties. The District is a special district governed by an elected five-member Board of Directors. As required by accounting principles generally accepted in the United States of America, these financial statements represent the District and its component unit.

The District's distribution system includes the Goodwin Diversion Dam (Goodwin Dam) on the Stanislaus River below the Tulloch Dam, at which water is diverted into the District's main canals, laterals, and pipelines. In addition to such surface water facilities, the District owns and operates deep wells and water reclamation pumps and provides domestic water service. The District provides irrigation water to approximately 3,030 parcels and domestic water to 762 customers (inclusive of Improvement Districts' customers). In addition, the District sells water and hydropower on the wholesale market.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Standards Board Statement No. 61, *The Financial Reporting Entity*. The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a local election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable if it appoints a voting majority of the organization's governing body and; 1) It is able to impose its will on that organization, or 2) There is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

The Oakdale Irrigation District Financing Corporation (the Financing Corporation) was organized in 1988 under Nonprofit Public Benefit Corporation Law, commencing with Section 5110 of the California Corporations Code, for aiding the financing of projects for the District. The Financing Corporation is included in the District's reporting entity as a blended component unit because the Board of Directors of the District serves as the Board of Directors of the Financing Corporation, the Financing Corporation is fiscally dependent on the District, and the ability of the District to impose its will on the Financing Corporation. The Financing Corporation does not issue separate financial statements.

The District serves as the administrator for 19 improvement districts (Improvement Districts) organized and operated within the District's boundaries. The Improvement Districts were organized under Provision Part 7, Division 11 of the Water Code of the State of California by two-thirds of the landowners in the Improvement District petitioning the District's Board to establish an improvement district to finance operations, maintenance, and repair work within the improvement districts. The District's Board of Directors establishes an improvement district with a board resolution that is filed with the County Recorder's Office. The District administers the Improvement Districts on behalf of the property owners, including the annual assessment levied upon the property owners, investing surplus cash, and paying all expenses of the Improvement Districts from assessments collected. The Improvement Districts do not have a separate Board of Directors, staff, or other separate activities that are not administered by the District.

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

B. Basis of Accounting and Measurement Focus

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs of providing water to its service area on a continuing basis be financed or recovered primarily through user charges (water sales), capital grants, and similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Operating revenues and expenses, such as water sales and water purchases, result from exchange transactions associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal values. Management, administration, and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses.

C. Financial Reporting

The District's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to enterprise funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly, activities are reported in the District's proprietary fund.

The District has adopted the following GASB pronouncements in the current year:

In January 2017, the GASB issued Statement No. 84 – *Fiduciary Activities.* The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

C. Financial Reporting, continued

In August 2018, the GASB issued Statement No. 90 – *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.

This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition.

In May 2020, the GASB issued Statement No. 95 – *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

1. Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosures of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements and the reported changes in net position during the reporting period. Actual results could differ from those estimates.

2. Cash and Cash Equivalents

Substantially all of the District's cash is invested in interest bearing accounts. The District considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

3. Investments and Investment Policy

The District has adopted an investment policy directing the Treasurer to invest funds in investments in accordance with the investment policy.

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

4. Fair Value Measurement

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset as follows:

- **Level 1** – Valuation is based on quoted prices in active markets for identical assets.
- **Level 2** – Valuation is based on directly observable and indirectly observable inputs. These inputs are derived principally from or corroborated by observable market data through correlation or market-corroborated inputs. The concept of market-corroborated inputs incorporates observable market data such as interest rates and yield curves that are observable at commonly quoted intervals.
- **Level 3** – Valuation is based on unobservable inputs where assumptions are made based on factors such as prepayment rates, probability of defaults, loss severity, and other assumptions that are internally generated and cannot be observed in the market.

The District's investment in LAIF is valued at amortized cost and is not subject to the fair value measurement criteria.

5. Accounts Receivable and Allowance for Uncollectible Accounts

The District extends credit to customers in the normal course of operations. When management deems customer accounts uncollectible, the District uses the allowance method for the reservation and write-off of those accounts when material.

6. Property Taxes and Assessments

The Counties of San Joaquin and Stanislaus Assessor's Office assesses all real and personal property within the County each year. The Counties of San Joaquin and Stanislaus Tax Collector's Office bills and collects the District's share of property taxes and assessments. The Counties of San Joaquin and Stanislaus Treasurer's Office remits current and delinquent property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article 13A of the State Constitution at one percent (1%) of countywide assessed valuations.

Property taxes receivable at year-end is related to property taxes collected by the Counties of San Joaquin and Stanislaus, which have not been received by the District as of December 31. The property tax calendar is as follows:

Lien date	March 1
Levy date	July 1
Due dates	November 1 and March 1
Collection dates	December 10 and April 10

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

7. Materials and Supplies

Materials and supplies consist primarily of water pipe and pipefittings for construction and repair to the District's water treatment and distribution system. Materials and supplies are valued at cost using the average cost basis. Material and supply items are charged to expense at the time the items are consumed.

8. Restricted Assets

Certain assets of the District are restricted for use by Improvement Districts' operations and maintenance and, accordingly, are shown as restricted assets on the accompanying statements of net position. The District uses restricted resources, prior to using unrestricted resources, to pay expenditures meeting the criteria imposed on the use of restricted resources by a third party.

9. Capital Assets

Capital assets acquired and/or constructed are capitalized at historical cost. District policy has set the capitalization threshold for reporting capital assets as follows:

Land	No threshold
Land improvements	$10,000
Buildings, building improvements, infrastructure, infrastructure improvement, and leasehold improvements	$10,000
Intangible assets	$5,000
Furniture, tools, equipment, computer, vehicles, and attachments	$1,000
Capital leases	$1,000
Gates, valves, and turnout structures	No threshold

Donated assets are recorded at estimated fair market value at the date of donation. Upon retirement or other disposition of capital assets, the cost and related accumulated depreciation are removed from the respective balances and any gains or losses are recognized. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Dams and reservoirs	50-100 years
Distribution systems	50-100 years
Building and improvements	50 years
Pumping plants	20 years
Automotive and equipment	3-10 years
Office equipment	5 years

10. Deferred Outflows of Resources

Deferred outflows of resources represent the consumption of resources applicable to future periods.

11. Unearned Revenue

Unearned revenue consists of assessments of future year's water delivery fees, and customer and developer deposits held at year-end.

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

12. Compensated Absences

The District's personnel policies provide for accumulation of vacation and sick leave. Liabilities for vacation are recorded when benefits are earned. Liabilities for sick are recorded as follows:

- Union employees – 25% of unused sick leave is accrued for the first 90 days and 50% of unused sick is accrued thereafter
- Management employees – 50% of all unused sick leave is accrued
- Supervisory employees – 30% of unused sick is accrued for the first 60 days and 50% of unused sick is accrued thereafter
- Confidential employees – 25% of unused sick is accrued for the first 60 days and 50% of sick is accrued thereafter

Cash payment of unused vacation and sick is available to those qualified employees when retired or terminated.

13. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pension and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans (Plans) and addition to/deduction from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

- Valuation Dates: June 30, 2019 and 2018
- Measurement Dates: June 30, 2020 and 2019
- Measurement Periods: July 1, 2019 to June 30, 2020 and July 1, 2018 to June 30, 2019

14. Deferred Inflows of Resources

Deferred inflows of resources represent the acquisition of resources applicable to future periods.

15. Net Position

The financial statements utilize a net position presentation. Net position is categorized as follows:

- **Net investment in capital assets component of net position** – consists of capital assets, net of accumulated depreciation and reduced by any debt outstanding against the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

- **Restricted component of net position** – consists of restricted assets and deferred outflows of resources reduced by liabilities and deferred inflows of resources related to those assets.

- **Unrestricted component of net position** – the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the net investment in capital assets or restricted components of net position.

(1) Reporting Entity and Summary of Significant Accounting Policies, continued

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position, continued

16. Budgetary Principles

The District adopts an annual budget, typically in December each year, to take effect January 1 the following year. The budget is subject to supplemental appropriations throughout its term in order to provide flexibility to meet changing needs and conditions. The Board approves all budget addition appropriations. Budget integration is employed as a management control device.

(2) Cash and Investments

Cash and investments as of December 31 are classified in the accompanying financial statements as follows:

	2020	2019
Cash and cash equivalents	$ 28,456,890	37,735,334
Restricted – cash and cash equivalents	1,395,711	1,621,892
Investments	43,515,796	27,695,160
Total	$ 73,368,397	67,052,386

Cash and investments as of December 31 consist of the following:

	2020	2019
Cash and cash equivalents:		
Cash on hand	$ 750	750
Deposits with financial institutions	2,384,009	3,512,898
California Local Agency Investment Fund	1,273,926	1,388,174
Money market mutual fund	26,193,916	34,455,404
Total cash and cash equivalents	29,852,601	39,357,226
Investments:		
U.S. Government Agency obligations	18,329,450	-
Commercial paper	14,596,086	15,420,177
Corporate bonds	10,590,260	12,274,983
Total investments	43,515,796	27,695,160
Total cash and investments	$ 73,368,397	67,052,386

(2) Cash and Investments, continued

Investments Authorized by the California Government Code and the District's Investment Policy

The following table identifies the investment types that are authorized by the District in accordance with the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District; rather, the table addresses the general provisions of the California Government Code or the District's investment policy.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage Of Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (LAIF)	Upon Demand	None	None	$50 M
Interest Bearing Checking Accounts	N/A	None	None	100%
U.S. Treasuery Money-Market Fund	N/A	None	None	10%
Certificates of Deposit	5 years	IUQCI* of 85	30%	$100,000
U.S. Treasuery Bills and Notes	5 years	None	None	100%
U.S. Government Sponsored Entities	5 years	None	None	100%
Banker's Acceptances	180 days	Moody's A	40%	30%
Commercial Paper	270 days	Moody's A	15%	10%
Repurchase Agreements	30 days	None	10%	$500,000
Medium Term Notes	5 years	Moody's AA	30%	10%
Negotiable Certificates of Deposit	2 years	Moody's A+	30%	10%

*Irwin Union Quality Code Index

Custodial Credit Risk

The custodial credit risk for *deposits* is the risk that, in the event of 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 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. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

The California Government Code and the District's investment policy do 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% of the total amount deposited by public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of December 31, 2020 and 2019, bank balances are federally insured up to $250,000. The remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the District's name.

(2) Cash and Investments, continued

Investment in State Investment Pool

The District is a voluntary participant in the California 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 fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District'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 fair value factor for LAIF is reported on a quarterly basis. The balance available for withdrawal is based on the accounting records maintained by LAIF, which is recorded on an amortized cost basis.

The District's deposit and withdrawal restrictions and limitations are as follows:

- Same day transaction processing occurs for orders received before 10:00 a.m.
- Next day transaction processing occurs for orders received after 10:00 a.m.
- Maximum limit of 15 transactions (combination of deposits and withdrawals) per month.
- Minimum transaction amount requirement of $5,000, in increments of $1,000.
- Withdrawals of $10 million or more require 24 hours advance.
- Prior to funds transfer, an authorized person must call LAIF to do a verbal transaction.

Interest Rate 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 that the District 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 matures or comes close to maturity evenly over time as necessary to provide requirements for cash flow and liquidity needed for operations.

As of December 31, 2020, the District's investments are scheduled to mature as follows:

		Remaining Maturity		
Investment Type	**Amount**	**12 Months or Less**	**13 to 24 Months**	**25-60 Months**
California Local Agency Investment Fund	$ 1,273,926	1,273,926	-	-
Money market mutual fund	26,193,916	26,193,916	-	-
U.S. Government Agency obligations	18,329,450	18,329,450	-	-
Commercial paper	14,596,086	14,596,086	-	-
Corporate bonds	10,590,260	-	3,282,835	7,307,425
Total	$ 70,983,638	60,393,378	3,282,835	7,307,425

(2) Cash and Investments, continued

Interest Rate Risk, continued

As of December 31, 2019, the District's investments are scheduled to mature as follows:

		Remaining Maturity		
Investment Type	**Amount**	**12 Months or Less**	**13 to 24 Months**	**25-60 Months**
California Local Agency Investment Fund	$ 1,388,174	1,388,174	-	-
Money market mutual fund	34,455,404	34,455,404	-	-
Commercial paper	15,420,177	15,420,177	-	-
Corporate bonds	12,274,983	11,513,133	761,850	-
Total	$ 63,538,738	62,776,888	761,850	-

Credit Risk

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 the California Government Code (where applicable), the District's investment policy, or debt agreements, and the actual rating as of the years ended for each investment type.

Credit ratings as of December 31, 2020, were as follows:

			Rating as of Year-End		
Investment Type	**Minimum Legal Rating**	**Amount**	**AAAm/A-1+ AA/AA+/AA-**	**A-1/A+/ A/A-/BBB+**	**Unrated**
California Local Agency Investment Fund	N/A	$ 1,273,926	-	-	1,273,926
Money market mutual fund	AAA/Aaa	26,193,916	26,193,916	-	-
U.S. Government Agency obligations	N/A	18,329,450	4,997,250	13,332,200	-
Commercial paper	A-1+	14,596,086	12,596,106	1,999,980	-
Corporate bonds	Aaa	10,590,260	4,414,783	6,175,477	-
Total		$ 70,983,638	48,202,055	21,507,657	1,273,926

Credit ratings as of December 31, 2019, were as follows:

			Rating as of Year-End		
Investment Type	**Minimum Legal Rating**	**Amount**	**AAAm/A-1+ AA/AA+/AA-**	**A-1/A+/ A/A-/BBB+**	**Unrated**
California Local Agency Investment Fund	N/A	$ 1,388,174	-	-	1,388,174
Money market mutual fund	AAA/Aaa	34,455,404	34,455,404	-	-
Commercial paper	A-1+	15,420,177	9,234,695	6,185,482	-
Corporate bonds	Aaa	12,274,983	1,855,476	10,419,507	-
Total		$ 63,538,738	45,545,575	16,604,989	1,388,174

(2) Cash and Investments, continued

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total District investments as of December 31, are as follows:

Investment	2020	2019
Commercial paper		
Alianz Finance Corporation	$ -	2,490,450
DBS Bank Limited	2,998,770	-
Macquarie Bank Ltd.	-	2,987,130
National Bank of Canada	-	2,399,160
Royal Bank of Canada	5,398,164	-
Toronto-Dominion Bank	2,999,340	2,992,050
Toyota Industries	1,999,980	1,396,290
Toyota Motor Credit Co.	-	1,788,498
Corporate bonds		
Apple Inc.	2,858,702	-
Bank of New York Mellon Corp.	2,892,642	2,510,100
Berkshire Hathaway	1,556,081	-
Cisco System Inc.	-	1,855,476
Citibank NA	-	2,000,980
JP Morgan Chase & Co.	-	2,646,202
Wells Fargo Bank	2,526,400	2,500,375

Fair Value Hierarchy

Assets measured at fair value on a recurring basis, based on their fair value hierarchy at December 31, 2020, are as follows:

		Fair Value Measurement at Reporting Date Using:		
Description	December 31, 2020	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Government Agency obligations	$ 18,329,450	-	18,329,450	-
Commercial paper	14,596,086	-	14,596,086	-
Corporate bonds	10,590,260	-	10,590,260	-
	43,515,796	-	43,515,796	-
Investments measured at amortized cost:				
California Local Agency Investment Fund	1,273,926			
Money market mutual fund	26,193,916			
Total	$ 70,983,638			

(2) Cash and Investments, continued

Assets measured at fair value on a recurring basis, based on their fair value hierarchy at December 31, 2019, are as follows:

Description	December 31, 2019	Fair Value Measurement at Reporting Date Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Commercial paper	$ 15,420,177	-	15,420,177	-
Corporate bonds	12,274,983	-	12,274,983	-
	27,695,160	-	27,695,160	-
Investments measured at amortized cost:				
California Local Agency Investment Fund	1,388,174			
Money market mutual fund	34,455,404			
Total	$ 63,538,738			

(3) Due from Other Government Agencies

As of December 31, amounts due from other government agencies consist of the following:

Government Agency	2020	2019
Department of Water Resources	$ 297,277	555,264
South San Joaquin Irrigation District	92,159	-
Others	2,248	8,132
Total	$ 391,684	563,396

(4) Internal Balances

The District administers the financial activities of the Improvement Districts. Interfund receivables and payables are used to recognize receipts received by the District and expenditures paid by the District on behalf of the Improvement Districts. Interfund receivables and payables are eliminated in the statements of net position.

As of December 31, 2020, inter-fund receivables/payables between the District and Improvement Districts were as follows:

Description	Due from	Due to	Net Balance
Oakdale Irrigation District	$ 82,990	(183,204)	(100,214)
Improvement Districts	183,204	(82,990)	100,214
	$ 266,194	(266,194)	-

(4) Internal Balances, continued

As of December 31, 2019, inter-fund receivables/payables between the District and Improvement Districts were as follows:

Description	Due from	Due to	Net Balance
Oakdale Irrigation District	$ 98,509	(120,426)	(21,917)
Improvement Districts	120,426	(98,509)	21,917
	$ 218,935	(218,935)	-

(5) Annexation Fees Receivable

Changes in annexation fees receivable for 2020 were as follows:

	Balance 2019	Additions	Principal Payments	Balance 2020
Annexation fee receivable:				
Trinitas	$ 13,125,951	-	(840,449)	12,285,502
Paddock	37,265	-	(1,874)	35,391
Hoekstra	944,033	-	(43,380)	900,653
Total annexation fee receivable	14,107,249	-	(885,703)	13,221,546
Less: current portion	(918,109)			(912,274)
Total non-current portion	$ 13,189,140			12,309,272

Changes in annexation fees receivable for 2019 were as follows:

	Balance 2018	Additions	Principal Payments	Balance 2019
Annexation fee receivable:				
Trinitas	$ 13,941,921	-	(815,970)	13,125,951
Paddock	39,085	-	(1,820)	37,265
Hoekstra	986,150	-	(42,117)	944,033
Naraghi	516,715	-	(516,715)	-
Total annexation fee receivable	15,483,871	-	(1,376,622)	14,107,249
Less: current portion	(866,742)			(918,109)
Total non-current portion	$ 14,617,129			13,189,140

(5) Annexation Fees Receivable, continued

Trinitas LLC Annexation

On August 2013, the District entered into agreements organized under nine separate limited liability companies (LLC) to accept the annexation of 7,274.25 acres of land. The annexation fee totaled $24,684,585, bearing an interest rate of 3.00%, expiring on September 2032. Principal and interest payment of $1,234,227 are due annually on September 3. If annexation fees become delinquent as defined in the agreements, the District is not required to deliver water to the annexed land and may terminate the agreements.

Future payments to be received under the agreements as of December 31, 2020, are as follows:

Year	Principal	Interest	Total
2021	$ 865,662	368,565	1,234,227
2022	891,632	342,595	1,234,227
2023	918,381	315,846	1,234,227
2024	945,932	288,295	1,234,227
2025	974,310	259,917	1,234,227
2026-2030	5,327,929	843,207	6,171,136
2031-2032	2,361,656	106,800	2,468,456
Total	12,285,502	2,525,225	14,810,727
Current	(865,662)		
Non-current	$ 11,419,840		

Paddock Annexation

In 2017, the District accepted the annexation of 25.04 acres of land into the District. The District financed the annexation fee totaling $45,852, bearing an interest rate of 3.00%, expiring on September 2035. Principal and interest payment of $2,992 are due annually on September 3. The District is not required to deliver water to the annexed land and may terminate the agreements if annexation fees become delinquent as defined in the agreements.

(5) Annexation Fees Receivable, continued

Paddock Annexation, continued

Future payments to be received under the agreements as of December 31, 2020, are as follows:

Year		Principal	Interest	Total
2021	$	1,930	1,062	2,992
2022		1,988	1,004	2,992
2023		2,048	944	2,992
2024		2,109	883	2,992
2025		2,173	819	2,992
2026-2030		11,882	3,080	14,962
2031-2035		13,261	1,187	14,448
Total		35,391	8,979	44,370
Current		(1,930)		
Non-current	$	33,461		

Hoekstra Annexation

In 2017, the District accepted the annexation of 430 acres of land into the District. The District financed the annexation fee totaling $1,098,741 bearing an interest rate of 3.00%, expiring on September 2036. Principal and interest payment of $71,702 are due annually on September 3. The District is not required to deliver water to the annexed land and may terminate the agreements if annexation fees become delinquent as defined in the agreements.

Future payments to be received under the agreements as of December 31, 2020, are as follows:

Year		Principal	Interest	Total
2021	$	44,682	27,020	71,702
2022		46,023	25,679	71,702
2023		47,403	24,298	71,701
2024		48,825	22,876	71,701
2025		50,290	21,412	71,702
2026-2030		275,007	83,501	358,508
2031-2035		318,809	39,700	358,509
2036		69,614	2,088	71,702
Total		900,653	246,574	1,147,227
Current		(44,682)		
Non-current	$	855,971		

(6) Investment in Joint-Powers Authorities

Jointly governed organizations are legal entities or other organizations that result from a contractual arrangement and that are owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control. The participants retain an ongoing financial interest or ongoing financial responsibility as permitted by the California Government Code.

As of December 31, 2020, the District's participation in these jointly governed organizations consists of the following balance:

	As Restated 2019	Additions	Deletions	2020
Tri-Dam Project	$ 46,495,387	8,601,730	(12,571,000)	42,526,117

As of December 31, 2019, the District's participation in these jointly governed organizations consists of the following balance:

	As Restated 2018	Additions	Deletions	As Restated 2019
Tri-Dam Project	$ 40,695,497	14,925,890	(9,126,000)	46,495,387

The District has recorded its interest in the joint-powers authorities under the equity method of accounting whereby, the District's equity in the joint-powers authorities is equal to the original cost of assets contributed plus their pro rata share of the net position of the joint-powers authorities.

Tri-Dam Project

On January 21, 1948, the District and the South San Joaquin Irrigation District entered into a joint cooperative agreement to form the Tri-Dam Project (Project). The Project constructed and currently operates a series of irrigation and power dams along the Stanislaus River. The Project presently includes the Donnells Dam, Tunnel, and Power Plant; Beardsley Dam, Afterbay, and Power Plant; Tulloch Dam, Afterbay, and Power Plant; and the Goodwin Dam and related facilities. The Project's principal activities are the storage and delivery of water to each participating District and the hydraulic generation of electricity. On January 1, 2014, the Project entered into an exclusive power purchase and sale agreement with the City of Santa Clara, California, through its municipal electric utility, Silicon Valley Power.

The Project is governed by the ten members of the Board of Directors in each District. The District and the South San Joaquin Irrigation District share the cost of the Project, with the exception of the Goodwin Dam and related facilities. Each District is responsible for the operations and net position of the Project. Should the Project become insolvent, each District is legally required to contribute funds to satisfy the Project's creditors. The Project's individual assets are owned equally (50%) between each District. As a result, the District has an equity interest in the Project that is recorded as an investment in the Tri-Dam Project on the District's statements of net position under GASB Statements No. 14 and 61. Each year the District adjusts its investment in the Project by its proportionate share (50%) of the Project's net position. Audited financial statements are available from the Project at P.O. Box 1158, Pinecrest, California 95364-0158 or at www.tridamproject.com.

(6) Investment in Joint-Powers Authorities, continued

Tri-Dam Power Authority

On October 14, 1982, the District and the South San Joaquin Irrigation District entered into a joint exercise of powers agreement to form the Tri-Dam Power Authority (Authority), effective through January 1, 2034. The Authority constructed and currently operates a hydroelectric power facility on the Stanislaus River with the proceeds of a $62,000,000 bond issue which was defeased in November 2016. The Authority was formed for the purpose of exercising common powers in constructing, operating, and maintaining facilities for the generation of electric energy.

The Authority is governed through a Board of Commissioners comprised of the members of each participating Districts' Board of Directors. However, the operations and net position of the Authority belong solely to the Authority as a separate legal entity. Should the Authority become insolvent, the District would not be liable for the Authority debts. Upon termination of the Joint Exercise of Powers Agreement, all assets of the Authority will be distributed to the members in proportion to their respective 50% contribution. Since the District has only a residual equity interest in the Authority, it is not recorded as an equity investment on the District's statements of net position according to GASB Statements No. 14 and 61. Only distributions received from the Authority are recorded as non-operating revenues. Audited financial statements are available from the Authority at P.O. Box 1158, Pinecrest, California 95364-0158 or a www.tridamproject.com.

San Joaquin Tributaries Authority

On November 2012, the District, Modesto Irrigation District, South San Joaquin Irrigation District, Turlock Irrigation District, and the City and County of San Francisco ("Parties") entered into a joint powers agreement to form the San Joaquin Tributaries Authority (SJTA). The SJTA develops and facilitates an environment in which the Parties are able to provide water in an efficient manner at a reasonable cost, ensure long-term reliability of the systems, and works with other governmental and public agencies to promote the common welfare of the landowner and water users served by SJTA members.

The District has a residual equity interest in the SJTA and it is not recorded as an equity investment on the District's statements of net position according to GASB Statements No. 14 and 61. Under the joint powers agreement, the District is responsible to provide the SJTA a proportionate amount ($250,000 or approximately 7%) of funds for operating expenses. The SJTA does not issue separate financial statements.

(7) Capital Assets

Changes in capital assets for 2020 were as follows:

	Balance 2019	Additions/ Transfers	Deletions/ Transfers	Balance 2020
Non-depreciable assets:				
Land	$ 3,156,692	-	-	3,156,692
Construction-in-process	8,551,517	3,511,144	(8,887,987)	3,174,674
Total non-depreciable assets	11,708,209	3,511,144	(8,887,987)	6,331,366
Depreciable assets:				
Buildings	961,814	7,133	-	968,947
Dams and reservoirs	10,447,035	-	-	10,447,035
Distribution systems	119,700,377	8,504,429	-	128,204,806
Automotive and equipment	8,472,534	565,738	(182,912)	8,855,360
Office equipment	882,876	411,970	(12,285)	1,282,561
Domestic water systems	3,665,375	-	-	3,665,375
Total depreciable assets	144,130,011	9,489,270	(195,197)	153,424,084
Accumulated depreciation:				
Buildings	(633,121)	(19,492)	-	(652,613)
Dams and reservoirs	(2,258,112)	(206,299)	-	(2,464,411)
Distribution systems	(35,293,578)	(2,223,906)	-	(37,517,484)
Automotive and equipment	(5,229,077)	(660,420)	182,912	(5,706,585)
Office equipment	(645,379)	(59,930)	12,285	(693,024)
Domestic water systems	(2,093,686)	(69,882)	-	(2,163,568)
Total accumulated depreciation	(46,152,953)	(3,239,929)	195,197	(49,197,685)
Total depreciable assets, net	97,977,058	6,249,341	-	104,226,399
Total capital assets, net	$ 109,685,267	9,760,485	(8,887,987)	110,557,765

(7) Capital Assets, continued

Changes in capital assets for 2019 were as follows:

	Balance 2018	Additions/ Transfers	Deletions/ Transfers	Balance 2019
Non-depreciable assets:				
Land	$ 3,156,692	-	-	3,156,692
Construction-in-process	22,368,576	8,259,548	(22,076,607)	8,551,517
Total non-depreciable assets	25,525,268	8,259,548	(22,076,607)	11,708,209
Depreciable assets:				
Buildings	952,984	8,830	-	961,814
Dams and reservoirs	10,204,078	242,957	-	10,447,035
Distribution systems	98,037,209	21,673,847	(10,679)	119,700,377
Automotive and equipment	7,036,773	1,435,761	-	8,472,534
Office equipment	714,035	168,841	-	882,876
Domestic water systems	3,665,375	-	-	3,665,375
Total depreciable assets	120,610,454	23,530,236	(10,679)	144,130,011
Accumulated depreciation:				
Buildings	(609,674)	(23,447)	-	(633,121)
Dams and reservoirs	(2,053,654)	(204,458)	-	(2,258,112)
Distribution systems	(33,346,262)	(1,957,995)	10,679	(35,293,578)
Automotive and equipment	(4,661,466)	(567,611)	-	(5,229,077)
Office equipment	(612,557)	(32,822)	-	(645,379)
Domestic water systems	(2,017,970)	(75,716)	-	(2,093,686)
Total accumulated depreciation	(43,301,583)	(2,862,049)	10,679	(46,152,953)
Total depreciable assets, net	77,308,871	20,668,187	-	97,977,058
Total capital assets, net	$ 102,834,139	28,927,735	(22,076,607)	109,685,267

(8) Compensated Absences

Changes in compensated absences for 2020 were as follows:

Balance 2019	Earned	Taken	Balance 2020	Current Portion	Long-term Portion
$ 907,251	729,411	(631,950)	1,004,712	637,810	366,902

Changes in compensated absences for 2019 were as follows:

Balance 2018	Earned	Taken	Balance 2019	Current Portion	Long-term Portion
$ 990,252	671,061	(754,062)	907,251	498,988	408,263

(9) Long-term Debt

The change in long-term debts for 2020 was as follows:

	Balance 2019	Additions/ Deletions	Principal Payments	Balance 2020	Current Portion	Long-term Portion
Certificate-of-participation:						
Revenue Refunding Bond Series 2016A	$ 23,720,000	-	(830,000)	22,890,000	865,000	22,025,000
Add: Unamortized premium	3,104,072	-	(163,372)	2,940,700	-	2,940,700
Total certificate-of-participation	26,824,072	-	(993,372)	25,830,700	865,000	24,965,700
Loans payable:						
Oak Valley Community Bank	176,338	-	(29,075)	147,263	8,337	138,926
U.S. Department of Agriculture	263,000	-	(25,000)	238,000	26,000	212,000
Total loans payable	439,338	-	(54,075)	385,263	34,337	350,926
Total long-term debt	27,263,410	-	(1,047,447)	26,215,963	899,337	25,316,626
Current portion	(862,405)			(899,337)		
Non-current portion	$ 26,401,005			25,316,626		

The change in long-term debts for 2019 was as follows:

	Balance 2018	Additions/ Deletions	Principal Payments	Balance 2019	Current Portion	Long-term Portion
Certificate-of-participation:						
Revenue Refunding Bond Series 2016A	$ 24,515,000	-	(795,000)	23,720,000	830,000	22,890,000
Add: Unamortized premium	3,267,444	-	(163,372)	3,104,072	-	3,104,072
Total certificate-of-participation	27,782,444	-	(958,372)	26,824,072	830,000	25,994,072
Loans payable:						
Oak Valley Community Bank	190,247	-	(13,909)	176,338	7,405	168,933
U.S. Department of Agriculture	263,000	-	-	263,000	25,000	238,000
Total loans payable	453,247	-	(13,909)	439,338	32,405	406,933
Total long-term debt	28,235,691	-	(972,281)	27,263,410	862,405	26,401,005
Current portion	(801,835)			(862,405)		
Non-current portion	$ 27,433,856			26,401,005		

Revenue Refunding Bond Series 2016A

On March 5, 2009, the District issued the Certificate-of-Participation (Water Facilities Project) Series 2009 in the amount of $32,145,000 secured by a lien on the District's net revenues. The District is required to collect net revenues equal to 110% of the debt service payments on this debt issuance and all other parity debt payable from the District's net revenues. The proceeds were used to finance the acquisition and construction of certain water system improvements, and repairs to the District's existing facilities.

On September 8, 2016, the District issued the Certificate-of-Participation Revenue Refunding Bond Series 2016A in the amount of $26,165,000. The proceeds were used to refinance and defease the Certificate-of-Participation (Water Facilities Project) Series 2009. The debt bears an interest rate ranging from 3.0% to 5.0%, with principal and interest due semi-annually on February 1 and August 1 of each year, and maturing on August 1, 2038.

(9) Long-term Debt, continued

Revenue Refunding Bond Series 2016A, continued

Annual debt service requirements for the certificate-of-participation are as follows:

Year		Principal	Interest	Total
2021	$	865,000	986,250	1,851,250
2022		880,000	968,950	1,848,950
2023		920,000	924,950	1,844,950
2024		940,000	906,550	1,846,550
2025		990,000	859,550	1,849,550
2026-2030		5,740,000	2,917,950	8,657,950
2031-2035		7,320,000	2,267,000	9,587,000
2036-2038		5,235,000	554,650	5,789,650
Total		22,890,000	10,385,850	33,275,850
Premium		2,940,700		
Current		(865,000)		
Non-current	$	24,965,700		

Oak Valley Community Bank

On June 26, 2008, the Oakdale Irrigation District Financing Corporation obtained a loan from the Oak Valley Community Bank (Bank) on behalf of Improvement District (ID) 52 in the amount of $348,334. The loan proceeds were used to finance certain improvements to ID 52 water system and to pay Oakdale Irrigation District buy-in expenses. The loan is secured by a pledge of ID 52 revenues and is payable solely from those revenues and not from the revenues of other improvement districts or Oakdale Irrigation District. The loan bears an interest rate of 8.25%, with principal and interest payments due semi-annually on January 1 and July 1 of each year, and matures on July 1, 2028.

Annual payments of principal and interest for the loan are as follows:

Year		Principal	Interest	Total
2021	$	8,337	6,324	14,661
2022		18,224	11,098	29,322
2023		19,758	9,564	29,322
2024		21,401	7,920	29,321
2025		23,224	6,098	29,322
2026-2028		56,319	6,322	62,641
Total		147,263	47,326	194,589
Current		(8,337)		
Non-current	$	138,926		

(9) Long-term Debt, continued

U.S. Department of Agriculture

On June 26, 2008, the Oakdale Irrigation District Financing Corporation obtained a loan from the U.S. Department of Agriculture on behalf of ID 52 in the amount of $475,000. The loan proceeds were used to finance certain improvements to the ID 52 water system and to pay Oakdale Irrigation District buy-in expenses. The loan is secured by a pledge of ID 52 revenues and is payable solely from those revenues and not from the revenues of other improvement districts or Oakdale Irrigation District. The loan bears an interest rate of 4.375%, with principal and interest payments due annually on January 1 of each year, and matures on January 1, 2028.

Annual payments of principal and interest for the loan are as follows:

Year	Principal	Interest	Total
2021	$ 26,000	10,413	36,413
2022	27,000	9,275	36,275
2023	28,000	8,094	36,094
2024	29,000	6,869	35,869
2025	31,000	5,600	36,600
2026-2028	97,000	8,488	105,488
Total	238,000	48,739	286,739
Current	(26,000)		
Non-current	$ 212,000		

(10) Defined Benefit Pension Plan

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of a miscellaneous risk pool and a safety risk pool, which are comprised of individual employer miscellaneous and safety plans, respectively. Benefit provisions under the Plan are established by State statute and the District's resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website or may be obtained from their executive office at 400 P Street, Sacramento, California 95814.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustment for each plan are applied as specified by the Public Employees' Retirement Law.

(10) Defined Benefit Pension Plan, continued

Benefits Provided, continued

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 2.0% at 60 Risk Pool Retirement Plan to new employee entrants effective December 31, 2012. All employees hired after January 1, 2013, are eligible for the District's CalPERS 2.0% at 62 Retirement Plan under PEPRA.

The District participates in the Plan's miscellaneous risk pool. The provisions and benefits for the Plan's miscellaneous pool in effect at December 31 2020 and 2019, are summarized as follows:

	Classic	**PEPRA**
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 service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	1.1% to 2.4%	1.1% to 2.4%
Required employee contribution rates	2020: 7.00%	2020: 6.75%
	2019: 7.00%	2019: 6.75%
Required employer contribution rates	2020: 8.79%	2020: 7.73%
	2019: 8.08%	2019: 6.99%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1, following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30, by CalPERS. 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 District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the years ended December 31, 2020 and 2019, the contributions recognized as part of pension expense for the Plan were as follows:

	2020	**2019**
Contributions – employer	$ 691,541	606,947

(10) Defined Benefit Pension Plan, continued

Net Pension Liability

As of December 31, 2020 and 2019, the District reported net pension liabilities for its proportionate share of the net pension liability of the Plan as follows:

	2020	2019
Proportionate share of net pension liability	$ 5,090,115	4,526,215

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability for the miscellaneous risk pool. As of December 31, 2020 and 2019, the net pension liability of the Plan is measured as of June 30, 2020 and 2019 (the measurement dates), respectively. The total pension liability for the Plan's miscellaneous risk pool used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 and 2018 (the valuation dates), rolled forward to June 30, 2020 and 2019, respectively, using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan's miscellaneous risk pool as of the measurement dates June 30, 2020 and 2019, was as follows:

	Proportionate Share
Proportion – June 30, 2018	0.04137 %
Increase in proportion	0.00280
Proportion – June 30, 2019	0.04417
Increase in proportion	0.00261
Proportion – June 30, 2020	0.04678 %

Deferred Outflows(Inflows) of Resources Related to Pensions

For the years ended December 31, 2020 and 2019, the District recognized pension expense of $1,150,824 and $1,165,263, respectively.

(10) Defined Benefit Pension Plan, continued

Deferred Outflows(Inflows) of Resources Related to Pensions, continued

As of December 31, 2020 and 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2020		2019	
Description	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
Pension contributions subsequent to the measurement date	$ 246,974	-	208,221	-
Differences between actual and expected experience	262,308	-	290,007	-
Changes in assumptions	-	(36,305)	139,321	-
Net difference between projected and actual earnings on plan investments	151,210	-	-	(79,132)
Adjustment due to changes in proportions and difference in employer contributions	138,912	-	61,312	-
Total	$ 799,404	(36,305)	698,861	(79,132)

As of December 31, 2020 and 2019, the District reported $246,974 and $208,221, respectively, as deferred outflows of resources related to contributions subsequent to the measurement dates. Pension contributions subsequent to the measurement for the year ended December 31, 2020, will be recognized as a reduction of the net pension liability for the year ended December 31, 2021. Pension contributions subsequent to the measurement for the year ended December 31, 2019, was recognized as a reduction of the net pension liability for the year ended December 31, 2020.

As of December 31, 2020, other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ending December 31,	Deferred Net Outflows(Inflows) of Resources
2021	$ 131,269
2022	181,716
2023	130,616
2024	72,524

(10) Defined Benefit Pension Plan, continued

Actuarial Assumptions

The total pension liabilities in the June 30, 2019 and 2018, actuarial valuations were determined using the following actuarial assumptions and methods:

Valuation dates	June 30, 2019 and 2018
Measurement dates	June 30, 2020 and 2019
Actuarial cost method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial assumptions	
Discount rate	7.15%
Inflation	2.50%
Salary increase	Varies by entry age and service
Mortality Table*	Derived using CalPERS membership data
Period upon which actuarial Experience survey assumptions were based	1997 – 2015
Post-retirement benefit increase	Contract COLA up to 2.50% until PPPA floor on purchasing power applies; 2.50% thereafter

* The mortality table was developed based on CalPERS specific data. The table includes 15 years of mortality improvement using the Society of Actuaries 90 percent 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) available online on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2020 and 2019, for the PERF C was 7.15%. This discount rate is not adjusted for administrative expenses.

The PERF C 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 for those pension plans' investments were applied to all periods of projected benefit payments to determine the total pension liability.

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 and forecasted information for all 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.

(10) Defined Benefit Pension Plan, continued

Discount Rate, continued

The table below reflects long-term expected real rates of return by asset class. The rates of return were calculated using the capital market assumptions applied to determine the discount rate.

Asset Class	Assumed Asset Allocation	Real Return Years 1-10	Real Return Years 11+
Global equity	50.00 %	4.80 %	5.98 %
Fixed income	28.00	1.00	2.62
Inflation assets	0.00	0.77	1.81
Private equity	8.00	6.30	7.23
Real assets	13.00	3.75	4.93
Liquidity	1.00	0.00	(0.92)
	100.00 %		

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

The following presents the District's proportionate share of the net pension liability for the Plan calculated using the discount rate for the Plan, as well as what the District's proportionate 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.

As of December 31, 2020, the District's net pension liability at the current discount rate, using a discount rate that is one-percentage point lower, and using a discount rate that is one-percentage point higher, are as follows:

	Discount Rate - 1% 6.15%	Current Discount Rate 7.15%	Discount Rate + 1% 8.15%
District's net pension liability	$ 8,364,577	5,090,115	2,384,530

As of December 31, 2019, the District's net pension liability at the current discount rate, using a discount rate that is one-percentage point lower, and using a discount rate that is one-percentage point higher, are as follows:

	Discount Rate - 1% 6.15%	Current Discount Rate 7.15%	Discount Rate + 1% 8.15%
District's net pension liability	$ 7,618,331	4,526,215	1,973,892

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in separately issued CalPERS financial reports. See pages 50 through 52 for the Required Supplementary Information.

(11) Net Position

The balance at December 31, consists of the following:

		2020	2019
Net investment in capital assets:			
Capital assets, net	$	110,557,765	109,685,267
Certificate-of-participation, current		(865,000)	(830,000)
Certificate-of-participation, non-current		(22,025,000)	(22,890,000)
Unamortized premium		(2,940,700)	(3,104,072)
Loans payable, current		(34,337)	(32,405)
Loans payable, non-current		(350,926)	(406,933)
Deferred loss on defeasance of debt		2,948,136	3,111,921
Total investment in capital assets		87,289,938	85,533,778
Restricted net position:			
Improvement Districts		1,278,187	1,433,363
Total restricted net position		1,278,187	1,433,363
Unrestricted net position:			
Non-spendable net position:			
Inventory of materials and supplies		662,921	678,140
Prepaid expenses		832,927	641,062
Total non-spendable net position		1,495,848	1,319,202
Spendable net position - designated:			
Main canal / Tunnel improvement		986,948	1,383,418
Joint canyon Tunnel		12,868,577	3,500,000
Capital replacement / Improvement		8,316,230	10,899,671
Debt service		16,000,000	13,500,000
Operating facilities project		5,248,751	3,307,244
Municipal conservation project		200,000	100,000
Rate-stabilization		8,238,000	8,238,000
Rural water replacement / Improvement		1,072,338	1,004,134
Vehicle and equipment replacement		561,967	-
Building and facilities		3,075,000	3,075,000
Employee compensated absences		982,420	893,882
Total spendable net position		57,550,231	45,901,349
Spendable net position - undesignated:		64,201,119	73,034,993
Total unrestricted net position		123,247,198	120,255,544
Total net position	$	211,815,323	207,222,685

(12) Restatement of Net Position

As of and for the year ended December 31, 2019, the District's account and transaction balances and net position were restated for the effects of the restatement of its investment in the Tri-Dam Project. The effect of the restatement is as follows:

		Net Position
Net position at December 31, 2018, as previously stated	$	193,508,535
Effect of adjustment to the Tri-Dam Project		528,262
Net position at December 31, 2018, as restated		194,036,797
Changes in net position, as previously stated		12,550,491
Effect of adjustment to the Tri-Dam Project		635,397
Net position at December 31, 2019, as restated	$	207,222,685

(13) Deferred Compensation Savings Plan

For the benefit of its employees, the District participates in a 457 Deferred Compensation Program (Program). The purpose of this Program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death, or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District and are not subject to claims of the District's general creditors. The District has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the statements of net position. As of December 31, 2020 and 2019, the assets of the deferred compensation savings plan totaled $3,869,362 and $3,567,174, respectively.

(14) Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a founding member of the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA), an intergovernmental risk sharing joint powers authority created to provide self-insurance programs for California water agencies. The purpose of the ACWA/JPIA is to arrange and administer programs of self-insured losses and to purchase the appropriate amount of insurance coverage.

(14) Risk Management, continued

At December 31, 2020, the District participated in the liability and property programs of the ACWA/JPIA as follows:

- General liability: The general liability coverage is through ACWA/JPIA who purchases specific occurrence excess insurance from commercial excess, reinsurance carriers, or other pooling agencies. The arrangement with ACWA/JPIA is in substance a transfer of pooling (sharing) of risks among the participants in the ACWA/JPIA's programs.
- Property: The property insurance coverage is as follows: 1) Buildings, personal property, fixed equipment, and unscheduled vehicle on premises with a deductible of $1,000; 2) Mobile equipment and vehicle with a deductible of $1,000; 3) Boiler and machinery accidental breakdown with a deductible of $50,000 for turbine units and associated equipment, electrical generators, and electrical power distribution, and a deductible of $25,000 for all other objects; 4) Flood with a deductible of $100,000; and 5) Earthquake with a deductible equivalent to 5% per unit of insurance, subject to a $75,000 minimum. ACWA/JPIA will reimburse the District for losses to scheduled property that is insured by the terms and conditions of the purchased insurance or reinsurance, less any applicable deductible.
- Crime: Crime coverage includes public employee theft, depositor forgery or alteration, computer and funds transfer fraud up to $100,000 subject to a deductible of $1,000; Excess crime coverage include public employee dishonesty, forgery or alteration, computer fraud, faithful performance of duty, pension plans including ERISA, and impersonation fraud (sublimit of $250,000) up to $1,000,000, subject to a deductible of $100,000.

Coverage for workers' compensation is provided by the Special District Risk Management Authority (SDRMA). The District's coverage is as follows:

- Workers' compensation insurance coverage up to $5,000,000 per occurrence.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the District's insurance coverage during the years ended December 31, 2020 and 2019. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated, net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of December 31, 2020 and 2019.

(15) Governmental Accounting Standards Board Statements Issued, Not Yet Effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to the report date, that have effective dates that may impact future financial presentations.

Governmental Accounting Standards Board Statement No. 87

In June 2017, the GASB issued Statement No. 87 – *Leases.* The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement were effective for reporting periods beginning after December 15, 2019; however, in light of the COVID-19 pandemic, the effective date has been postponed by 18 months. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 89

In June 2018, the GASB issued Statement No. 89 – *Accounting for Interest Cost incurred Before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period.

This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements,* which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

The requirements of this Statement were effective for reporting periods beginning after December 15, 2019; however, in light of the COVID-19 pandemic, the effective date has been postponed by one year. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

(15) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued

Governmental Accounting Standards Board Statement No. 91

In May 2019, the GASB issued Statement No. 91 – *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

The requirements of this Statement were effective for reporting periods beginning after December 15, 2020; however, in light of the COVID-19 pandemic, the effective date has been postponed by one year. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 92

In January 2020, the GASB issued Statement No. 92 – *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

The requirements of this Statement were as follows: (1) The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance; (2) The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2020; (3) The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2020; and (4) The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2020; however, in light of the COVID-19 pandemic, the effective date has been postponed by one year. Earlier application is encouraged and is permitted by topic.

(15) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued

Governmental Accounting Standards Board Statement No. 93

In March 2020, the GASB issued Statement No. 93 – *Replacement of Interbank Offered Rates*. The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an IBOR. This Statement achieves that objective by: (1) Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment; (2) Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; (3) Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable; (4) Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap; (5) Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap; (6) Clarifying the definition of reference rate, as it is used in Statement 53, as amended; and (7) Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend.

The requirements of this Statement were effective as follows: (1) The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021; and (2) All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020; however, in light of the COVID-19 pandemic, the effective dates have been postponed by one year. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 94

In March 2020, the GASB issued Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

(15) Governmental Accounting Standards Board Statements Issued, Not Yet Effective, continued

Governmental Accounting Standards Board Statement No. 96

In May 2020, the GASB issued Statement No. 96 – *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged.

Governmental Accounting Standards Board Statement No. 97

In June 2020, the GASB issued Statement No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 41 and No. 84, and a supersession of GASB Statement No. 32.* The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted by requirement as specified within this Statement. The Board considered the effective dates for the requirements of this Statement in light of the COVID-19 pandemic and in concert with Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance.

(16) Commitments and Contingencies

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes that the ultimate outcome of such matters, if any, will not materially affect its financial conditions.

Construction Contracts

The District has a variety of agreements with private parties relating to the installation, improvement, or modification of water facilities and distribution systems within its service area. As of December 31, 2020, the District remaining commitments were as follows:

Project		Contract Amount	Remaining Commitment
Greger Facility - General engineering and architectural	$	1,172,300	788,758
North Main Canal - Leakage mitigation project		50,500	33,792
Greger Facility - Geotechnical engineering study		36,000	11,000
Total	$	1,258,800	833,550

(17) Subsequent Events

Events occurring after December 31, 2020, have been evaluated for possible adjustment to the financial statements or disclosure as of June 21, 2021, which is the date the financial statements were available to be issued. The District is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

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Required Supplementary Information

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Oakdale Irrigation District
Schedules of the District's Proportionate Share of the Net Pension Liability
As of December 31, 2020
Last Ten Years*

Description		Measurement Dates 6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
District's proportion of the net pension liability		0.04678%	0.04417%	0.04137%	0.04127%	0.03893%	0.03347%	0.04327%
District's proportionate share of the net pension liability	$	5,090,115	4,526,215	3,986,214	4,092,925	3,368,866	2,297,303	2,692,547
District's covered payroll	$	5,751,764	5,627,907	5,155,206	4,546,326	4,369,901	4,300,181	4,435,167
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll		88.50%	80.42%	77.32%	90.03%	77.09%	53.42%	60.71%
Plan's fiduciary net position as a percentage of the total pension liability		75.26%	75.26%	75.26%	73.31%	74.06%	78.40%	79.82%

Notes to the Schedules of the District's Proportionate Share of the Net Pension Liability

Changes in Benefit Terms

Public agencies can make changes to their plan provisions, and such changes occur on an ongoing basis. A summary of the plan provisions that were used for a specific plan can be found in the plan's annual valuation report.

Change of Assumptions and Methods

The CalPERS Board of Administration adopted a new amortization policy effective with the June 30, 2019, actuarial valuation. The new policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy also does not utilize a five-year ramp-down on investment gains/losses. These changes will apply only to new UAL bases established on or after June 30, 2019. In fiscal year 2020, no changes have occurred to the actuarial assumptions in relation to financial reporting.

In fiscal year 2020, CalPER implemented a new actuarial valuation software system for the June 30, 2018 valuation. This new system has refined and improved calculation methodology.

In December 2017, the CalPERS Board adopted new mortality assumptions for plans participating in the PERF. The new mortality table was developed from the December 2017 experience study and includes 15 years of projected ongoing mortality improvement using 90% of scale MP 2016 published by the Society of Actuaries. The inflation assumption is reduced from 2.75% to 2.50%.

The assumptions for individual salary increases and overall payroll growth are reduced from 3.00% to 2.75%. These changes will be implemented in two steps commencing in the June 30, 2017 funding valuation. However, for financial reporting purposes, these assumption changes are fully reflected in the results for fiscal year 2018.

Notes to the Schedules of the District's Proportionate Share of the Net Pension Liability, continued

Change of Assumptions and Methods, continued

In fiscal year 2017, the financial reporting discount rate for the PERF C was lowered from 7.65% to 7.15%. In December 2016, the CalPERS Board approved lowering the funding discount rate used in the PERF C from 7.50% to 7.00%, which is to be phased in over a three-year period (7.50% to7.375%, 7.375% to 7.25%, and 7.25% to 7.00%) beginning with the June 30, 2016, valuation reports. The funding discount rate includes a 15 basis-point reduction for administrative expenses, and the remaining decrease is consistent with the change in the financial reporting discount rate.

In fiscal year 2015, the financial reporting discount rate was increased from 7.50% to 7.65% resulting from eliminating the 15 basis-point reduction for administrative expenses. The funding discount rate remained at 7.50% during this period, and remained adjusted for administrative expenses.

* The District has presented information for those years for which information is available until a full 10-year trend is compiled.

Oakdale Irrigation District
Schedules of Pension Plan Contributions
As of December 31, 2020
Last Ten Years*

Description		Fiscal Years 12/31/2020	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014
Actuarially determined contribution	$	730,294	610,984	385,465	598,115	526,811	488,805	333,676
Contributions in relation to the actuarially determined contribution		(730,294)	(610,984)	(385,465)	(358,036)	(379,349)	(345,487)	(333,676)
Contribution deficiency (excess)	$	-	-	-	240,079	147,462	143,318	-
District's covered payroll	$	5,996,721	5,384,061	4,500,035	4,546,326	4,369,901	4,300,181	4,435,167
Contribution's as a percentage of covered-employee payroll		12.18%	11.35%	8.57%	13.16%	12.06%	11.37%	7.52%

Notes to the Schedules of Pension Plan Contributions

* The District has presented information for those years for which information is available until a full 10-year trend is compiled.

Supplemental Information

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Oakdale Irrigation District
Combining Schedule of Net Position
December 31, 2020

	Oakdale Irrigation District	Improvement Districts	Elimination	2020
Current assets:				
Cash and cash equivalents	$ 28,456,890	-	-	28,456,890
Restricted – cash and cash equivalents	-	1,395,711	-	1,395,711
Investments	32,925,536	-	-	32,925,536
Accrued interest receivable	242,761	1,738	-	244,499
Accounts receivable – water sales and services	133,366	22,688	-	156,054
Accounts receivable – other	3,368	-	-	3,368
Property tax receivable	1,689,854	-	-	1,689,854
Assessment receivable – ID No. 52	348,501	-	-	348,501
Due from related organizations	82,990	183,204	(266,194)	-
Due from other government agencies	391,684	-	-	391,684
Prepaid expenses and other deposits	832,927	4,268	-	837,195
Materials and supplies inventory	662,921	-	-	662,921
Long-term assets – due in one year:				
Annexation fees receivable	912,274	-	-	912,274
Total current assets	66,683,072	1,607,609	(266,194)	68,024,487
Non-current assets:				
Investments	10,590,260	-	-	10,590,260
Investment in joint-powers authorities	42,526,117	-	-	42,526,117
Capital assets – not being depreciated	6,259,820	71,546	-	6,331,366
Capital assets – being depreciated, net	103,940,317	286,082	-	104,226,399
Long-term assets – due after one year:				
Annexation fees receivable	12,309,272	-	-	12,309,272
Total non-current assets	175,625,786	357,628	-	175,983,414
Total assets	242,308,858	1,965,237	(266,194)	244,007,901
Deferred outflows of resources:				
Deferred pension outflows	799,404	-	-	799,404
Deferred loss on defeasance of debt	2,948,136	-	-	2,948,136
Total deferred outflows of resources	$ 3,747,540	-	-	3,747,540

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Oakdale Irrigation District
Combining Schedule of Net Position, continued
December 31, 2020

	Oakdale Irrigation District	Improvement Districts	Elimination	2020
Current liabilities:				
Accounts payable and accrued expenses	$ 381,223	5,930	-	387,153
Due to related organizations	183,204	82,990	(266,194)	-
Debt service payment received for the District	-	57,298	-	57,298
Other payables	37,345	-		37,345
Accrued payroll and employee benefits	294,201	-	-	294,201
Accrued interest payable	420,457	-	-	420,457
Deposits for work-orders	325,591	-	-	325,591
Unearned revenue	1,887,774	183,204	-	2,070,978
Long-term liabilities – due in one year:				
Compensated absences	637,810	-	-	637,810
Certificate-of-participation	865,000	-	-	865,000
Loans payable	34,337	-	-	34,337
Total current liabilities	5,066,942	329,422	(266,194)	5,130,170
Non-current liabilities:				
Long-term liabilities – due in more than one year:				
Compensated absences	366,902	-	-	366,902
Certificate-of-participation	24,965,700	-	-	24,965,700
Loans payable	350,926	-	-	350,926
Net pension liability	5,090,115	-	-	5,090,115
Total non-current liabilities	30,773,643	-	-	30,773,643
Total liabilities	35,840,585	329,422	(266,194)	35,903,813
Deferred inflows of resources:				
Deferred pension inflows	36,305	-	-	36,305
Total deferred inflows of resources	36,305	-	-	36,305
Net position:				
Net investment in capital assets	86,932,310	357,628	-	87,289,938
Restricted	-	1,278,187	-	1,278,187
Unrestricted	123,247,198	-	-	123,247,198
Total net position	$ 210,179,508	1,635,815	-	211,815,323

Oakdale Irrigation District
Combining Schedule of Revenues, Expenses, and Changes in Net Position
Year Ended December 31, 2020

	Oakdale Irrigation District	Improvement Districts	Elimination	2020
Operating revenues:				
Agriculture water fees and sales	$ 3,516,215	-	-	3,516,215
Domestic water sales	222,316	-	-	222,316
Out of District water sales	842,741	-	(48,774)	793,967
Other water service charges	132,624	328,957	-	461,581
Total operating revenues	4,713,896	328,957	(48,774)	4,994,079
Operating expenses:				
Operation and maintenance	5,707,915	373,546		6,081,461
General and administrative	3,039,156	55,354	(48,774)	3,045,736
Water operations	3,801,327	-	-	3,801,327
Total operating expenses	12,548,398	428,900	(48,774)	12,928,524
Operating loss before depreciation expense	(7,834,502)	(99,943)	-	(7,934,445)
Depreciation expense	(3,209,717)	(30,212)	-	(3,239,929)
Operating loss	(11,044,219)	(130,155)	-	(11,174,374)
Non-operating revenues(expenses), net:				
Property taxes	3,871,220	-	-	3,871,220
Assessment revenue – ID No. 52	53,384	-	-	53,384
Investment earnings	1,001,297	15,314	-	1,016,611
Rental revenue	14,000	-	-	14,000
Change in investment in Tri-Dam Project	8,601,730	-	-	8,601,730
Change in investment in Tri-Dam Authority	3,219,500	-	-	3,219,500
Gain(loss) from sale of capital assets	21,726	-	-	21,726
Interest expense – long-term debt	(1,030,115)	-	-	(1,030,115)
Other non-operating expense	(2,044)	-	-	(2,044)
Total non-operating revenues, net	15,750,698	15,314	-	15,766,012
Net income before capital contributions	4,706,479	(114,841)	-	4,591,638
Capital contributions:				
Contributed capital	1,000	-	-	1,000
Total capital contributions	1,000	-	-	1,000
Changes in net position	4,707,479	(114,841)	-	4,592,638
Net position, beginning of the year	205,472,029	1,750,656	-	207,222,685
Net position, end of year	$ 210,179,508	1,635,815	-	211,815,323

Oakdale Irrigation District
Combining Schedule of Net Position – Improvement District
December 31, 2020

		ID No. 1	ID No. 2	ID No. 8	ID No. 13	ID No. 19
Current assets:						
Restricted – cash and cash equivalents	$	2,303	7,100	6,346	1,619	8,745
Accrued interest receivable		-	-	-	-	-
Accounts receivable – water sales and services		12	-	362	-	141
Due from related organizations		542	330	766	526	1,696
Prepaid expenses and other deposits		-	-	-	-	-
Total current assets		2,857	7,430	7,474	2,145	10,582
Non-current assets:						
Capital assets – not being depreciated		-	-	-	-	-
Capital assets – being depreciated, net		-	-	4,596	-	-
Total non-current assets		-	-	4,596	-	-
Total assets		2,857	7,430	12,070	2,145	10,582
Current liabilities:						
Accounts payable		-	-	-	-	24
Due to related organizations		-	-	-	-	24
Debt service payment received for the District		-	-	-	-	-
Unearned revenue		542	330	766	526	1,696
Total current liabilities		542	330	766	526	1,744
Total liabilities		542	330	766	526	1,744
Net position:						
Net investment in capital assets		-	-	4,596	-	-
Restricted		2,315	7,100	6,708	1,619	8,838
Total net position	$	2,315	7,100	11,304	1,619	8,838

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Oakdale Irrigation District
Combining Schedule of Net Position – Improvement District, continued
December 31, 2020

		ID No. 20	ID No. 21	ID No. 22	ID No. 26	ID No. 29
Current assets:						
Restricted – cash and cash equivalents	$	1,964	2,074	63,559	2,693	846
Accrued interest receivable		-	-	66	-	-
Accounts receivable – water sales and services		-	18	3,738	131	162
Due from related organizations		216	524	10,354	-	2,086
Prepaid expenses and other deposits		-	-	590	-	-
Total current assets		2,180	2,616	78,307	2,824	3,094
Non-current assets:						
Capital assets – not being depreciated		-	-	-	-	-
Capital assets – being depreciated, net		567	-	32,891	-	-
Total non-current assets		567	-	32,891	-	-
Total assets		2,747	2,616	111,198	2,824	3,094
Current liabilities:						
Accounts payable		-	-	224	-	33
Due to related organizations		-	-	1,476	-	24
Debt service payment received for the District		-	-	-	-	-
Unearned revenue		216	524	10,354	-	2,086
Total current liabilities		216	524	12,054	-	2,143
Total liabilities		216	524	12,054	-	2,143
Net position:						
Net investment in capital assets		567	-	32,891	-	-
Restricted		1,964	2,092	66,253	2,824	951
Total net position	$	2,531	2,092	99,144	2,824	951

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Oakdale Irrigation District
Combining Schedule of Net Position – Improvement District, continued
December 31, 2020

	ID No. 31	ID No. 36	ID No. 38	ID No. 41	ID No. 45
Current assets:					
Restricted – cash and cash equivalents	$ 6,529	2,973	4,198	117,669	275,868
Accrued interest receivable	-	-	-	158	371
Accounts receivable – water sales and services	-	-	21	13,129	476
Due from related organizations	225	484	388	31,625	39,888
Prepaid expenses and other deposits	-	-	-	863	863
Total current assets	6,754	3,457	4,607	163,444	317,466
Non-current assets:					
Capital assets – not being depreciated	-	-	-	-	-
Capital assets – being depreciated, net	-	-	-	85,238	82,677
Total non-current assets	-	-	-	85,238	82,677
Total assets	6,754	3,457	4,607	248,682	400,143
Current liabilities:					
Accounts payable	-	-	-	2,387	552
Due to related organizations	-	-	-	6,113	1,933
Debt service payment received for the District	-	-	-	-	-
Unearned revenue	225	484	388	31,625	39,888
Total current liabilities	225	484	388	40,125	42,373
Total liabilities	225	484	388	40,125	42,373
Net position:					
Net investment in capital assets	-	-	-	85,238	82,677
Restricted	6,529	2,973	4,219	123,319	275,093
Total net position	$ 6,529	2,973	4,219	208,557	357,770

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Oakdale Irrigation District
Combining Schedule of Net Position – Improvement District, continued
December 31, 2020

	ID No. 46	ID No. 48	ID No. 51	ID No. 52	2020
Current assets:					
Restricted – cash and cash equivalents	$ 407,750	16,107	410,070	57,298	1,395,711
Accrued interest receivable	548	-	595	-	1,738
Accounts receivable – water sales and services	1,130	175	3,193	-	22,688
Due from related organizations	46,567	634	46,353	-	183,204
Prepaid expenses and other deposits	1,089	-	863	-	4,268
Total current assets	457,084	16,916	461,074	57,298	1,607,609
Non-current assets:					
Capital assets – not being depreciated	-	-	71,546	-	71,546
Capital assets – being depreciated, net	44,607	3,261	32,245	-	286,082
Total non-current assets	44,607	3,261	103,791	-	357,628
Total assets	501,691	20,177	564,865	57,298	1,965,237
Current liabilities:					
Accounts payable	1,829	-	881	-	5,930
Due to related organizations	3,625	-	69,795	-	82,990
Debt service payment received for the District	-	-	-	57,298	57,298
Unearned revenue	46,567	634	46,353	-	183,204
Total current liabilities	52,021	634	117,029	57,298	329,422
Total liabilities	52,021	634	117,029	57,298	329,422
Net position:					
Net investment in capital assets	44,607	3,261	103,791	-	357,628
Restricted	405,063	16,282	344,045	-	1,278,187
Total net position	$ 449,670	19,543	447,836	-	1,635,815

Oakdale Irrigation District
Combining Schedule of Revenues, Expenses, and Changes in Net Position – Improvement District
December 31, 2020

		ID No. 1	ID No. 2	ID No. 8	ID No. 13	ID No. 19
Operating revenues:						
Maintenance and operation charges	$	701	622	7,603	554	2,854
Total operating revenues		701	622	7,603	554	2,854
Operating expenses:						
Operation and maintenance		-	-	306	-	284
General and administrative		242	241	242	242	2,047
Total operating expenses		242	241	548	242	2,331
Operating gain(loss) before depreciation expense		459	381	7,055	312	523
Depreciation expense		-	-	(135)	-	(500)
Operating gain(loss)		459	381	6,920	312	23
Non-operating revenues:						
Investment earnings		6	18	7	5	26
Total non-operating revenues		6	18	7	5	26
Changes in net position		465	399	6,927	317	49
Net position, beginning of the year		1,850	6,701	4,377	1,302	8,789
Net position, end of year	$	2,315	7,100	11,304	1,619	8,838

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Oakdale Irrigation District
Combining Schedule of Revenues, Expenses, and Changes in Net Position – Improvement District, continued
December 31, 2020

		ID No. 20	ID No. 21	ID No. 22	ID No. 26	ID No. 29
Operating revenues:						
Maintenance and operation charges	$	639	649	21,174	759	3,080
Total operating revenues		639	649	21,174	759	3,080
Operating expenses:						
Operation and maintenance		-	-	11,352	-	299
General and administrative		242	241	8,020	242	2,037
Total operating expenses		242	241	19,372	242	2,336
Operating gain(loss) before depreciation expense		397	408	1,802	517	744
Depreciation expense		(21)	-	(4,843)	-	(500)
Operating gain(loss)		376	408	(3,041)	517	244
Non-operating revenues:						
Investment earnings		5	6	602	7	6
Total non-operating revenues		5	6	602	7	6
Changes in net position		381	414	(2,439)	524	250
Net position, beginning of the year		2,150	1,678	101,583	2,300	701
Net position, end of year	$	2,531	2,092	99,144	2,824	951

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Oakdale Irrigation District
Combining Schedule of Revenues, Expenses, and Changes in Net Position – Improvement District, continued
December 31, 2020

		ID No. 31	ID No. 36	ID No. 38	ID No. 41	ID No. 45
Operating revenues:						
Maintenance and operation charges	$	656	652	589	60,000	63,875
Total operating revenues		656	652	589	60,000	63,875
Operating expenses:						
Operation and maintenance		-	-	-	236,960	23,095
General and administrative		267	242	242	8,137	9,146
Total operating expenses		267	242	242	245,097	32,241
Operating gain(loss) before depreciation expense		389	410	347	(185,097)	31,634
Depreciation expense		(500)	-	-	(5,339)	(6,436)
Operating gain(loss)		(111)	410	347	(190,436)	25,198
Non-operating revenues:						
Investment earnings		17	8	11	1,801	3,130
Total non-operating revenues		17	8	11	1,801	3,130
Changes in net position		(94)	418	358	(188,635)	28,328
Net position, beginning of the year		6,623	2,555	3,861	397,192	329,442
Net position, end of year	$	6,529	2,973	4,219	208,557	357,770

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Oakdale Irrigation District
Combining Schedule of Revenues, Expenses, and Changes in Net Position – Improvement District, continued
December 31, 2020

	ID No. 46	ID No. 48	ID No. 51	ID No. 52	2020
Operating revenues:					
Maintenance and operation charges	$ 84,300	1,891	78,359	-	328,957
Total operating revenues	84,300	1,891	78,359	-	328,957
Operating expenses:					
Operation and maintenance	52,125	5,518	43,607	-	373,546
General and administrative	11,575	241	11,708	-	55,354
Total operating expenses	63,700	5,759	55,315	-	428,900
Operating gain(loss) before depreciation expense	20,600	(3,868)	23,044	-	(99,943)
Depreciation expense	(5,279)	(584)	(6,075)	-	(30,212)
Operating gain(loss)	15,321	(4,452)	16,969	-	(130,155)
Non-operating revenues:					
Investment earnings	4,649	50	4,960	-	15,314
Total non-operating revenues	4,649	50	4,960	-	15,314
Changes in net position	19,970	(4,402)	21,929	-	(114,841)
Net position, beginning of the year	429,700	23,945	425,907	-	1,750,656
Net position, end of year	$ 449,670	19,543	447,836	-	1,635,815

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Report on Internal Controls and Compliance

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on the Audits of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors
Oakdale Irrigation District
Oakdale, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Oakdale Irrigation District (District), which comprise the statements of net position as of December 31, 2020 and 2019, and the related statements of revenues, expenses, and changes in net position and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon date June 21, 2021.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on the Audits of Financial Statements Performed in Accordance with *Government Auditing Standards,* continued

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal controls and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fedak & Brown LLP

Fedak & Brown LLP
Cypress, California
June 21, 2021