



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2019

City of Sacramento, California

City of Sacramento

California

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2019

**Prepared by the Department of Finance,
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CITY OF SACRAMENTO, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2019

TABLE OF CONTENTS

INTRODUCTORY SECTION (Unaudited)

PAGE

Letter of Transmittal	i
Organization Chart	v
Directory of City Officials	vi
GFOA Certificate	vii

FINANCIAL SECTION

Independent Auditor's Report	1
Management's Discussion and Analysis (Required Supplementary Information - Unaudited)	5

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements:	
Statement of Net Position	17
Statement of Activities	18
Fund Financial Statements:	
Balance Sheet - Governmental Funds	22
Reconciliation of the Balance Sheet to the Statement of Net Position – Governmental Funds	24
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities – Governmental Funds	28
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) with Budget to GAAP Reconciliation – General Fund	30
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) with Budget to GAAP Reconciliation – Measure U Fund	31
Statement of Net Position – Proprietary Funds	32
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds	36
Statement of Cash Flows – Proprietary Funds	38
Statement of Net Position – Fiduciary Funds	42
Statement of Changes in Net Position – Fiduciary Funds	43
Notes to the Basic Financial Statements	45

REQUIRED SUPPLEMENTARY INFORMATION (Unaudited)

Schedule of Changes in Net Pension Liability and Related Ratios – CalPERS Miscellaneous Plan	107
Schedule of Contributions – CalPERS Miscellaneous Plan	108
Schedule of Changes in Net Pension Liability and Related Ratios – CalPERS Safety Plan	109
Schedule of Contributions – CalPERS Safety Plan	110
Schedule of Changes in Net Pension Liability and Related Ratios – SCERS	111
Schedule of Contributions – SCERS	112
Schedule of Changes in Net OPEB Liability and Related Ratios	113
Schedule of Contributions – OPEB	114

CITY OF SACRAMENTO, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2019

TABLE OF CONTENTS, Continued

<i>COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES</i>	PAGE
Other Governmental Funds	
Combining Balance Sheet	115
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	116
Other Special Revenue Funds:	
Combining Balance Sheet.....	118
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	120
Schedule of Revenues, Expenditures and Change in Fund Balance – Budget and Actual, Transportation and Development Special Revenue Fund	122
Schedule of Revenues, Expenditures and Change in Fund Balance – Budget and Actual, Culture and Leisure Special Revenue Fund	123
Schedule of Revenues, Expenditures and Change in Fund Balance – Budget and Actual, Parks and Recreation Special Revenue Fund	124
Schedule of Revenues, Expenditures and Change in Fund Balance – Budget and Actual, CCOMWP Special Revenue Fund	125
Schedule of Revenues, Expenditures and Change in Fund Balance – Budget and Actual, Special Districts Special Revenue Fund	126
Schedule of Revenues, Expenditures and Change in Fund Balance – Budget and Actual, Cal EPA Special Revenue Fund	127
Other Debt Service Funds:	
Combining Balance Sheet.....	130
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	132
Other Capital Projects Funds:	
Combining Balance Sheet.....	136
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	138
Permanent Funds:	
Combining Balance Sheet.....	142
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	144
Other Proprietary Funds	
Other Enterprise Funds:	
Combining Statement of Net Position	148
Combining Statement of Revenues, Expenses and Changes in Net Position	151
Combining Statement of Cash Flows.....	152
Water Fund:	
Combining Schedule of Net Position.....	156
Combining Schedule of Revenues, Expenses and Changes in Net Position	160
Combining Schedule of Cash Flows	162
Wastewater Fund:	
Combining Schedule of Net Position.....	168
Combining Schedule of Revenues, Expenses and Changes in Net Position	172
Combining Schedule of Cash Flows	174

CITY OF SACRAMENTO, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2019

TABLE OF CONTENTS, Continued

	PAGE
Other Proprietary Funds	
Community Center Fund:	
Combining Statement of Net Position	180
Combining Statement of Revenues, Expenses and Changes in Net Position	183
Combining Statement of Cash Flows.....	184
Internal Service Funds:	
Combining Statement of Net Position	188
Combining Statement of Revenues, Expenses and Changes in Net Position	191
Combining Statement of Cash Flows.....	192
Fiduciary Funds	
Investment Trust Funds:	
Combining Statement of Net Position	195
Combining Statement of Changes in Net Position	196
Agency Funds:	
Combining Statement of Changes in Assets and Liabilities.....	197

STATISTICAL SECTION (Unaudited)

Net Position by Component - Last Ten Fiscal Years	200
Changes in Net Position - Last Ten Fiscal Years	202
Fund Balances, Governmental Funds - Last Ten Fiscal Years	208
Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years	210
Tax Revenues by Source, Governmental Funds - Last Ten Fiscal Years	212
Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	213
Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years.....	214
Principal Property Taxpayers - Current Fiscal Year and Nine Years Ago.....	215
Property Tax Levies and Collections - Last Ten Fiscal Years	216
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years.....	218
Ratios of Net General Bonded Debt Outstanding - Last Ten Fiscal Years	220
Direct and Overlapping Governmental Activities Debt - As of June 30, 2019.....	221
Legal Debt Margin - Last Ten Fiscal Years	222
Demographic and Economic Statistics - Last Ten Calendar Years.....	223
Principal Employers - Current Fiscal Year and Nine Years Ago	224
Successor Agency Trust Fund – Assessed Value of Taxable Property - Last Ten Fiscal Years	226
Successor Agency Trust Fund – Top 10 Parcels Appealing Assessed Valuation - At Risk of Reduction - As of June 30, 2019	230
Successor Agency Trust Fund – Principal Property Taxpayers - Current Fiscal Year and Nine Years Ago	241
Successor Agency Trust Fund – Debt Coverage Analysis - Last Ten Fiscal Years	252
Full-time Equivalent Employees by Function/Program - Last Ten Fiscal Years	257
Operating Indicators by Function/Program - Last Ten Fiscal Years	258
Capital Asset Statistics by Function/Program - Last Ten Fiscal Years	259
Miscellaneous Statistics - Current Fiscal Year and Nine Years Ago.....	260

Introductory Section

Howard Chan
City Manager

City Hall
915 I Street, Fifth Floor
Sacramento, CA 95814-2604
916-808-5704

December 26, 2019

Honorable Mayor and City Council
City of Sacramento, California:

Dear Mayor and Members of the City Council:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) for the City of Sacramento, California (City) for the fiscal year ended June 30, 2019. Article IX of the City Charter and federal and state law requires that the City issue an annual report on its financial position and activity, and that the report be audited by an independent firm of certified public accountants. Macias Gini & O'Connell LLP, a statewide certified public accounting firm, performed the audit for the fiscal year ended June 30, 2019. Their unmodified ("clean") opinion has been included as the first component of the financial section of the CAFR.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that have been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides an introduction, overview, and analysis of the basic financial statements. The MD&A complements this transmittal letter and should be read in conjunction with it.

PROFILE OF THE CITY

The City of Sacramento, capital of the State of California, was established in 1849. The sixth largest city in California based on population, Sacramento also serves as the seat of Sacramento County government. The State of California Department of Finance estimated the population on January 1, 2019, at 508,172 for the City and 1,546,174 for the County. Encompassing approximately 100 square miles, the City is located in the northern section of California's Central Valley at the confluence of the American and Sacramento Rivers.

Sacramento is a charter city operating under a Council-Manager form of government. The City provides a full range of municipal services including police, fire, emergency medical response, water, wastewater, storm drainage, solid waste, construction and maintenance of streets and parks, community development, recreational and cultural activities, economic development, and administrative services.

REPORTING ENTITY

This CAFR presents the financial status of the City and its four component units:

- Sacramento City Financing Authority (SCFA)
- Sacramento Public Financing Authority (SPFA)
- Sacramento City Employees' Retirement System (SCERS)
- Successor Agency to the Redevelopment Agency of the City of Sacramento (RASA)

Component units are separate legal entities included in this report due to significant operational or financial relationships with the City as defined below:

SCFA and SPFA are entities created to issue debt to finance City projects. Both are reported on a blended basis as part of the primary government because the boards are composed of all City Council (Council) members.

SCERS, a single employer pension plan for certain City employees and retirees, is reported as a fiduciary-type component unit. The SCERS pension plan was closed to new enrollment of employees in 1978.

RASA was created to serve as the custodian for the assets and to wind down the affairs of the former Redevelopment Agency of the City of Sacramento. RASA is reported as a fiduciary-type component unit.

BUDGET INFORMATION

The City Charter requires that the City Manager submit a proposed budget to the Council at least 60 days prior to the start of each fiscal year. Once approved by Council, the annual budget serves as the foundation for the City's financial planning, control and reporting. Budgetary control is maintained at the department level by fund. Budgetary control for multi-year projects is maintained at the individual project level by fund. Additional budgetary information can be found in Note 1 to the financial statements and on the City's website.

LOCAL ECONOMY

The regional economy and employment base continue its long-term transition from a state government concentration to a diverse economic base including health care providers, high-tech manufacturers, software development companies, biotechnology and medical research laboratories, food processors, and medical equipment manufacturers. The region is also a transportation hub served by air cargo airports, an international airport, a deep-water shipping port, two major interstate freeways, freight and passenger rail lines, and an extensive regional commuter bus and light-rail system. These key industries interface with Sacramento's service, hospitality and government employers.

While the local government and healthcare-based economy has not grown as quickly as other areas, Sacramento is still benefiting from its economic recovery in 2019 with continued growth projections for 2020. As of June 2019, unemployment for the Sacramento metropolitan area was 3.7% compared to 4.1% a year earlier. According to the latest forecast from the Center for Business and Policy Research at the University of the Pacific, slow and steady growth in employment in California is expected to continue in 2020.

Construction and investment in the downtown urban core continued to grow with new retailers entering the region. The new Golden 1 Center is continuing to transform the former Downtown Plaza area, now known as Downtown Commons, into a center of entertainment and activity providing Sacramento with a first-class venue for sports, entertainment and cultural events. The long-term forecast for the City's secured property taxes continues to be positive with the addition of the Golden 1 Center in the downtown area, the Delta Shores Shopping Center in South Sacramento, and other development projects underway throughout the city.

BUDGET INITIATIVES AND LONG-TERM FINANCIAL PLANNING

The City continues to benefit from the economic recovery with revenues growing at a substantial rate. The original Measure U, approved by Sacramento voters in 2012, was a temporary 1/2 cent sales and use tax which expired in March 2019. Its revenues were used to restore essential City services that had been cut or scaled back in 2009, especially those provided by the Fire, Police, and Youth, Parks and Community Enrichment Departments, as well as the Sacramento Public Library. On November 6, 2018, Sacramento voters approved a new version of the City's Measure U sales and use tax, eliminating the sunset provision and raising it from 1/2 cent to 1 cent. The new 1 cent sales and use tax took effect on April 1, 2019.

RELEVANT FINANCIAL POLICIES

The City maintains a General Fund Economic Uncertainty Reserve (EUR) for the purpose of bridging a gap between projected revenue and expenditures during periods of significant revenue declines and/or expenditure growth and to ensure the City has adequate resources in case of emergency or unforeseen events. Pursuant to Council's adopted policy, the City will maintain an EUR at a minimum of 10% of budgeted General Fund revenues and will seek to achieve and maintain a General Fund EUR equal to two months of regular on-going General Fund expenditures, including transfers (i.e. 17% of General Fund expenditures).

The Council policy also directs unbudgeted one-time General Fund revenues received in a fiscal year, not required to balance the budget as part of the midyear review or year-end close, be added to the EUR. The EUR balance is estimated to be \$55.2 million as of July 1, 2019, which is approximately 11.2% of estimated FY2019/20 General Fund revenues. However, on February 5, 2019, the council directed the City Manager to amend the EUR policy to include Measure U resources in determining the amount to be set aside in reserves. The amended policy was adopted on June 11, 2019 with the FY2019/20 budget. To maintain the minimum reserve level of 1% of budgeted G/MU revenues, the reserve would need to be increased by \$5 million. The budget includes a recommendation to transfer \$3.018 million to the reserve at year-end, provided these resources are not needed during the year. The EUR is reported in the CAFR as committed fund balance in the General Fund.

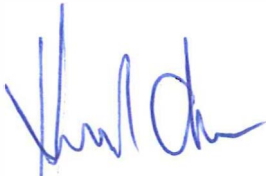
AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended June 30, 2018. This marks the 31st consecutive year the City has received this award. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to receive this award, the City published an easily readable and efficiently organized CAFR. The report satisfied accounting principles generally accepted in the United States of America and applicable legal requirements. We believe this CAFR also meets the requirements of the program and we will be submitting it to the GFOA to determine its eligibility for the certificate.

The Department of Finance, the Accounting Division in particular, takes great pride in the preparation of the CAFR. The professionalism, commitment and effort of each employee of the Accounting Division have made this report possible. We also want to thank the other employees of the Department of Finance as well as those in other City departments who contributed to the preparation of this report. Finally, we thank the Mayor and City Council for their continuing interest and support in planning and conducting the City's financial operations in a responsible manner, consistent with the City's mission to protect, preserve and enhance the quality of life for present and future generations.

Respectfully submitted,



Howard Chan
City Manager

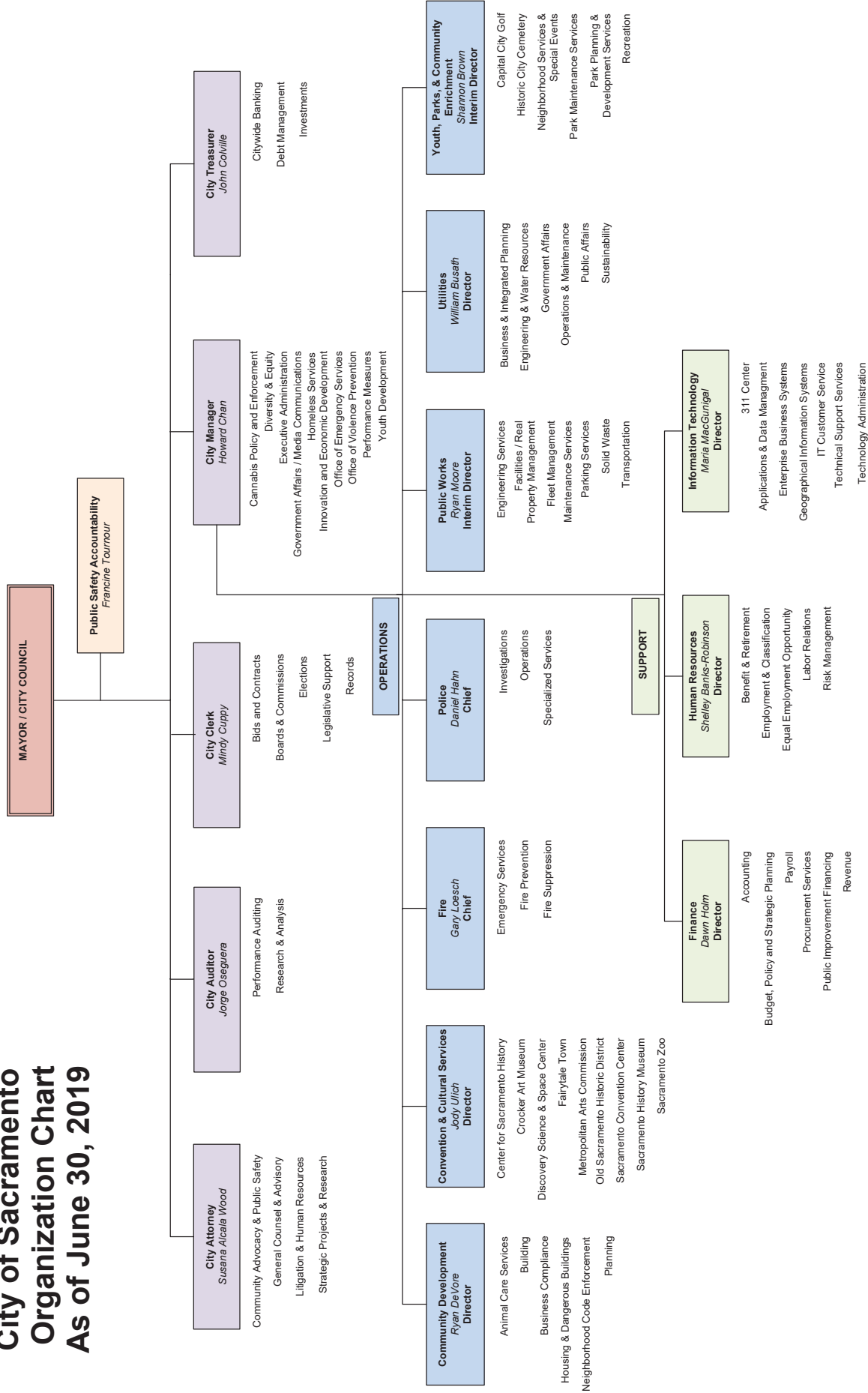


Dawn Holm
Finance Director



Osvaldo Lopez
Finance Manager

City of Sacramento Organization Chart As of June 30, 2019



City of Sacramento

Directory of City Officials

June 30, 2019

Darrell Steinberg
Mayor

Angelique Ashby
Mayor Pro Tempore, District 1

Jay Schenirer
Councilmember, District 5

Allen Warren
Councilmember, District 2

Eric Guerra
Vice Mayor, District 6

Jeff Harris
Councilmember, District 3

Rick Jennings, II
Councilmember, District 7

Steve Hansen
Councilmember, District 4

Larry Carr
Councilmember, District 8

Howard Chan
City Manager

Susana Alcalá Wood
City Attorney

Mindy Cuppy
City Clerk

John Colville
City Treasurer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Sacramento
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

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Financial Section



Independent Auditor's Report

To the Honorable Mayor and Members of the
City Council of the City of Sacramento, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sacramento, California (City), as of and for the fiscal year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the Measure U Special Revenue Fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and 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 audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the City's 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 City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Macias Gini & O'Connell LLP". The signature is written in a cursive, slightly slanted style.

Sacramento, California
December 26, 2019

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City of Sacramento
Management's Discussion and Analysis
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2019

This section of the City's Comprehensive Annual Financial Report presents a narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2019. City management recommends this information be read in conjunction with the transmittal letter located in the introductory section, and with the City's financial statements which follow this discussion.

FINANCIAL HIGHLIGHTS

- The City issued the Transient Occupancy Tax Revenue Bonds ("TOT revenue bonds"), Series A, B, and C, in the amount of \$316 million including the original issue premium. Project funds of \$305 million will be used to finance costs of renovating the City's Convention Center, Memorial Auditorium, and Community Center Theater, as well as other transient occupancy tax eligible projects.
- The City's General Fund revenue and other financing sources (uses) exceeded expenditures by \$38 million in fiscal year 2019. This is primarily attributable to tax and service fees revenues in excess of expectation for the year. In addition, a special item in the amount of \$7 million was recognized for a settlement payment received related to construction litigation for repairs to the Sacramento Valley Station Intermodal Transportation Facility.
- The City issued the Wastewater Revenue Bonds, Series 2019, in the amount of \$32 million including the original issue premium. Project funds of \$32 million will be used to finance costs of certain improvements to its Wastewater System.
- The City's total government-wide net position increased by \$116 million in fiscal year 2019, a 6 percent increase.

OVERVIEW OF THE FINANCIAL STATEMENTS

The City's Comprehensive Annual Financial Report consists of four main components: (1) management's discussion and analysis, (2) the basic financial statements, (3) required supplementary information, and (4) combining non-major fund financial statements. The basic financial statements include two kinds of statements that present different views of the City, the government-wide and the fund financial statements.

- The government-wide financial statements provide both long-term and short-term information about the City's overall financial status.
- The fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.

The basic financial statements also include notes that provide additional information essential to understanding the data contained in the government-wide and fund financial statements. The statements and notes are followed by the Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Contributions for the City's pension plans along with the Schedule of Changes in Net Other Post-Employment Benefits (OPEB) Liability and Related Ratios and Schedule of Contributions for the City's OPEB plan, which are required supplementary information. In addition to these required elements, we have included combining statements and schedules that provide details about the City's other governmental funds, other enterprise funds, the Water enterprise fund, the Wastewater enterprise fund, the Community Center enterprise fund, internal service funds, investment trust funds, and agency funds, each of which is presented in a column in the basic financial statements.

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2019

Government-wide Financial Statements

The government-wide statements report information about the City using accounting methods like those used by private-sector companies. The statement of net position includes all the City's assets and liabilities, as well as any deferred outflows or inflows of resources. The statement of activities includes all current year revenues and expenses regardless of when cash is received or paid. These government-wide statements report the City's net position and how the City's net position has changed during the fiscal year. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial health of the City is improving or deteriorating.

The government-wide financial statements of the City are divided as follows:

- *Governmental activities* - Most of the City's basic services are included here, such as police, fire, public works, community development, youth, parks, and community enrichment, and general government. Taxes and state and federal grants finance most of these activities.
- *Business-type activities* - Certain services provided by the City are funded by customer fees. Among these are the City's utility services, convention center, and off-street parking facilities.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements provide more detailed information about the City's largest funds, not the City as a whole.

The City has three types of fund financial statements:

- *Governmental funds* - Governmental fund statements tell how general government services such as police, fire and public works, among others, were financed in the short-term as well as what remains for future spending. Most of the City's basic services are included in governmental funds, which focus on (1) short-term inflows and outflows of spendable resources, and (2) the remaining year-end balances available for spending. Because this information does not encompass the additional long-term focus of the government-wide statements, reconciliations that explain the relationship (or differences) between governmental funds and governmental activities follow the governmental fund statements.
- *Proprietary funds* - Services for which customer fees are intended to finance the costs of operations are generally reported in proprietary funds. Proprietary fund statements, like the government-wide statements, provide short-term and long-term financial information about the activities the City operates like businesses, such as utility services, parking facilities, convention center, etc.
- *Fiduciary funds* - Fiduciary fund statements provide information about the financial relationships in which the City acts solely as a trustee or agent for the benefit of others, to whom the resources belong. The City is the trustee, or *fiduciary*, for a closed pension plan. It is also responsible for other assets, reported in an investment trust fund, which because of trust agreements, can be used only for the trust beneficiaries. The City elected to serve as the successor agency for its former redevelopment agency, which was dissolved by state law. The successor agency activity is accounted for in a private purpose trust fund. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All the City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the City's government-wide financial statements because the City cannot use these resources to finance its operations.

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2019

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS

This section provides analysis of the government-wide financial statements including long-term and short-term information about the City's overall financial condition. The following table addresses the financial results of the City as a whole.

City of Sacramento							
Summary of Net Position							
As of June 30, 2019 and 2018							
(in millions)							
	Governmental Activities		Business-type Activities		Total Primary Government		Total Percent Change
	2019	2018	2019	2018	2019	2018	
Current and other assets	\$ 994	\$ 955	\$ 732	\$ 437	\$ 1,726	\$ 1,392	24.0%
Capital assets	1,767	1,790	1,476	1,353	3,243	3,143	3.2%
Total assets	<u>2,761</u>	<u>2,745</u>	<u>2,208</u>	<u>1,790</u>	<u>4,969</u>	<u>4,535</u>	9.6%
Deferred outflows of resources	<u>199</u>	<u>244</u>	<u>25</u>	<u>34</u>	<u>224</u>	<u>278</u>	-19.4%
Long-term liabilities	1,844	1,927	1,052	727	2,896	2,654	9.1%
Other liabilities	85	102	63	58	148	160	-7.5%
Total Liabilities	<u>1,929</u>	<u>2,029</u>	<u>1,115</u>	<u>785</u>	<u>3,044</u>	<u>2,814</u>	8.2%
Deferred inflows of resources	<u>76</u>	<u>48</u>	<u>11</u>	<u>5</u>	<u>87</u>	<u>53</u>	64.2%
Net position							
Net investment in							
capital assets	1,267	1,336	925	869	2,192	2,205	-0.6%
Restricted	294	243	43	41	337	284	18.7%
Unrestricted	(606)	(667)	139	124	(467)	(543)	-14.0%
Total net position	<u>\$ 955</u>	<u>\$ 912</u>	<u>\$ 1,107</u>	<u>\$ 1,034</u>	<u>\$ 2,062</u>	<u>\$ 1,946</u>	6.0%

Analysis of net position

As noted in the financial highlights, total net position of the primary government increased by \$116 million in fiscal year 2019. Total assets increased \$434 million and total liabilities increased \$230 million. Deferred outflows of resources decreased \$54 million and deferred inflows of resources increased \$34 million.

The following analysis of governmental and business-type activities provides more detailed information for these changes.

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2019

Governmental activities

Current and other assets increased \$39 million primarily due to an increase in cash in the governmental funds from higher than expected sales and property tax revenue.

Capital assets of governmental activities decreased \$23 million primarily due to current year capital assets depreciation, offset by capital assets additions. More detailed information about the City's capital assets is presented in Note 4 to the financial statements.

Deferred outflows of resources decreased \$45 million primarily due to a \$43 million decrease in deferred outflows related to pensions. The decrease in deferred outflows related to pensions was mainly driven by decreases in deferred outflows for changes in assumptions and net differences between projected and actual earnings, offset slightly by an increase in deferred outflows for contributions subsequent to measurement date and differences in experience. More detailed information about pension plans is presented in Note 8 to the financial statements.

Long-term liabilities decreased \$83 million primarily due to \$53 million of principal payments on existing debt obligations and net amortization of bond discounts and premiums, a \$23 million decrease in net OPEB liability, and a \$12 million decrease in net pension liability. These decreases were offset by a \$7 million increase in accrued claims and judgments. More detailed information about long-term liabilities is presented in Note 7 to the financial statements.

Deferred inflows of resources increased \$28 million primarily due to a \$10 million increase in deferred inflows related to pensions and a \$18 million increase in deferred inflows related to OPEB. The increase in deferred inflows related to pensions and OPEB were both mainly driven by increases in deferred inflows for changes in assumptions. More detailed information about pension and OPEB plans is presented in Notes 8 and 9 to the financial statements.

Restricted net position, representing amounts that must be used in accordance with external restrictions, increased \$51 million primarily due to increases in restrictions for capital projects.

Business-type activities

Current and other assets of business-type activities increased \$295 million primarily due to the large cash inflows related to the TOT revenue bonds and the wastewater revenue bonds, series 2019.

Capital assets increased \$123 million due to capital asset additions including the convention center expansion, community center theater renovation, memorial auditorium upgrades, water transmission lines, water mains and meter installation, new wastewater infrastructure, offset by current year depreciation. More detailed capital asset information is presented in Note 4 to the financial statements.

Deferred outflows of resources decreased \$9 million primarily due to a \$9 million decrease in deferred outflows related to pensions for the same reasons described above for governmental activities deferred outflows. More detailed information about pension plans is presented in Note 8 to the financial statements.

Long-term liabilities increased \$325 million primarily due to the issuance of \$348 million of revenue bonds as discussed in the financial highlights section. More detailed information is presented in Note 7 to the financial statements.

Deferred inflows of resources increased \$6 million primarily due to a \$2 million increase in deferred inflows related to pensions and a \$3 million increase in deferred inflows related to OPEB. Both increases were mainly driven by increases in deferred inflows for changes in assumptions. More detailed information about pension and OPEB plans is presented in Notes 8 and 9 to the financial statements.

Net investment in capital assets increased \$56 million due to capital asset additions, partially offset by the issuance of new long-term debt and depreciation expense.

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2019

City of Sacramento								
Changes in Net Position								
For the Fiscal Years Ended June 30, 2019 and 2018								
(in millions)								
	Governmental		Business-type		Total Primary		Total	Percent
	Activities		Activities		Government			
	2019	2018	2019	2018	2019	2018		
Revenues								
Program revenues:								
Charges for services	\$ 197	\$ 187	\$ 309	\$ 295	\$ 506	\$ 482		5.0%
Operating grants & contributions	56	42	3	2	59	44		34.1%
Capital grants & contributions	99	101	21	24	120	125		-4.0%
General revenues:								
Property taxes	170	157	-	-	170	157		8.3%
Local sales taxes	64	45	-	-	64	45		42.2%
Utility users tax	60	63	-	-	60	63		-4.8%
Other taxes	42	38	29	27	71	65		9.2%
Unrestricted:								
Sales taxes shared state revenue	94	83	-	-	94	83		13.3%
Investment earnings	21	6	20	1	41	7		485.7%
Miscellaneous	15	17	-	-	15	17		-11.8%
Gain (loss) disposal of capital assets	-	-	2	-	2	-		-
Total revenues	818	739	384	349	1,202	1,088		10.5%
Expenses								
General government	116	101	-	-	116	101		14.9%
Police	203	200	-	-	203	200		1.5%
Fire	170	160	-	-	170	160		6.3%
Public works	133	122	-	-	133	122		9.0%
Convention and cultural services	31	21	-	-	31	21		47.6%
Youth, parks, community enrichment	61	55	-	-	61	55		10.9%
Community development	60	51	-	-	60	51		17.6%
Library	19	17	-	-	19	17		11.8%
Interest on long-term debt	24	23	-	-	24	23		4.3%
Water	-	-	99	88	99	88		12.5%
Wastewater	-	-	33	28	33	28		17.9%
Storm drainage	-	-	40	41	40	41		-2.4%
Solid waste	-	-	58	57	58	57		1.8%
Community center	-	-	27	18	27	18		50.0%
Parking	-	-	14	13	14	13		7.7%
Child development	-	-	7	7	7	7		0.0%
Total expenses	817	750	278	252	1,095	1,002		9.3%
Revenue over (under) expenses	1	(11)	106	97	107	86		24.4%
Special items	7	-	2	-	9	-		-
Transfers	35	34	(35)	(34)	-	-		-
Change in net position	43	23	73	63	116	86		34.9%
Net position, beginning of year	912	889	1,034	971	1,946	1,860		4.6%
Net position, end of year	\$ 955	\$ 912	\$ 1,107	\$ 1,034	\$ 2,062	\$ 1,946		6.0%

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2019

Analysis of the changes in net position

Total government-wide revenues of the primary government increased \$113 million, a 10.4 percent increase compared to the prior fiscal year, and total expenses increased \$92 million, a 9.2 percent increase compared to the prior fiscal year. These changes are discussed in more detail below.

Governmental activities

Total revenues for governmental activities increased \$78 million, a 10.6 percent increase compared to the prior fiscal year. Total expenses increased \$66 million, an 8.8 percent increase compared to the prior fiscal year. Net transfers from business-type activities increased \$1 million, a 2.9 percent increase compared to the prior fiscal year. Transfers in primarily consist of in-lieu taxes paid by the business-type activities to the General Fund. Transfers out primarily consist of capital assets transferred from governmental activities to business-type activities. Net transfers were higher in fiscal year 2019 primarily due to an increase in in-lieu tax transfers.

Revenue

Charges for services increased \$11 million primarily due to a \$9 million increase in the General Fund. This increase was mainly due to a \$4 million increase in ambulance services and \$3 million in construction permits due to increased development.

Operating grants and contributions revenue increased \$14 million primarily due to the grants and contributions the City received for the Whole Person Care program, the Winter Triage Center Sheltering program and other Homeless Housing programs.

Property tax revenue increased \$14 million due to continued increases in Sacramento area commercial and residential real estate property assessed valuations.

Sales taxes, including state shared sales tax revenue, increased \$29 million, primarily due to continued strong economic growth and a local sales tax rate increase effective April 1, 2019.

Investment earnings increased by \$15 million primarily due to a higher interest earnings rate, higher cash balances, and a larger current year unrealized market value gain compared to the prior fiscal year.

Additionally, there was a special item for \$7 million related to a settlement payment due to construction litigation for repairs to the Sacramento Valley Station Intermodal Transportation Facility passenger platforms. Refer to Note 17 for more information.

Expenses

Total governmental activities expenses increased \$66 million primarily due to increases in department functional expenses, i.e. \$16 million in general government, \$3 million in police, \$10 million in fire, \$11 million in public works, \$10 million in convention and cultural services, \$6 million in youth, parks, and community enrichment, \$9 million in community development, and \$1 million in library.

Business-type activities

Total revenues for business-type activities increased \$34 million, a 9.8 percent increase compared to the prior fiscal year. Total expenses for business-type activities increased \$26 million, a 10.4 percent increase. Net transfers to governmental activities increased \$1 million, a 2.9 percent increase compared to the prior fiscal year. Transfers out primarily consist of in-lieu taxes paid by the business-type activities to the General Fund. Transfers in primarily consist of capital assets transferred from governmental activities to business-type activities. Net transfers were higher in fiscal year 2019 primarily due to an increase in in-lieu tax transfers.

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2019

Revenue

Charges for services increased \$13 million as a result of water and wastewater rate increases in fiscal year 2019 of 10 and 9 percent respectively.

Capital grants and contribution revenue decreased by \$3 million as a result of a net decrease in wastewater and storm drainage infrastructure dedications by developers, \$6 million decrease in wastewater offset by \$3 million increase in storm drainage.

Investment earnings revenue increased by \$19 million primarily due to a higher interest earnings rate, higher cash balances, and a larger current year unrealized market value gain compared to the prior fiscal year.

Other tax revenue increased \$3 million due to an increase in transient occupancy tax revenue generated from an increase in hotel occupancy and room rates.

Expenses

Water Fund expenses increased \$11 million primarily due to a \$4 million increase in labor and pension expenses, a \$7 million increase in services and supplies due to various operating projects.

Community Center expenses increased \$9 million primarily due to interest expense for debt service on the 2018 Transient Occupancy Tax (TOT) Revenue Bonds, plus associated cost of issuance. See Note 7 for additional information about these bonds.

FINANCIAL ANALYSIS OF THE FUND STATEMENTS

Funds are accounting devices the City uses to keep track of specific sources of funding and spending for particular purposes. The fund financial statements focus on individual parts of City government, reporting City operations in more detail than the government-wide statements.

Governmental Funds

The City's governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. Total revenues for governmental funds increased \$114 million compared to the prior fiscal year. Total expenditures increased \$40 million compared to the prior fiscal year. Net other financing sources increased \$10 million compared to the prior fiscal year. These changes are discussed in more detail below.

General Fund

Total General Fund revenue increased \$34 million compared to prior fiscal year. Tax revenues increased by \$21 million, i.e. \$11 million in property tax, \$8 million in sales and use tax, and \$4 million in business operations tax. Charges for services increased by \$9 million primarily attributable to the continued increases in development activity, planning permit fees, and Advance Life Support (ALS).

Total General Fund expenditures increased \$27 million compared to prior fiscal year. Expenditures in Fire and Police departments increased \$19 million in total, general government increased \$8 million, and community development increased \$3 million. These increases are primarily due to labor and pension cost increases, additional staffing, and reduced cost reimbursements from other funds. Capital outlay decreased \$2 million mainly due to a reduction of General Fund contributions to the community center complex renovation and streetcar projects.

General Fund Budgetary Highlights

The City Council revised the budget throughout the fiscal year with midyear revenue and appropriation adjustments, changes made to appropriations for the use of committed fund balance, and other revenue and appropriation adjustments after the original budget was adopted.

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2019

After accounting for these budget adjustments, General Fund revenues were \$21 million higher than final budgeted amounts. Collection of various taxes exceeded the budget by \$11 million. Intergovernmental revenue exceeded budget by \$4 million. Interest revenue was higher than budget by \$5 million. Fines, forfeitures and penalties were higher than budget by \$1 million.

General Fund budgetary expenditures were \$67 million lower than final budgeted amounts. Most of the General Fund departments reported favorable operating expenditure budget variances primarily due to labor savings, and labor reimbursements from grants and other funds. Capital outlay expenditures were less than budgeted amounts by \$32 million due to the multi-year nature of capital projects. Unspent multi-year project budgets, as well as other unspent Council approved program budgets, are carried over to the subsequent fiscal year.

Measure U Fund

Measure U Fund revenue and expenditures increased by \$19 million and \$5 million, respectively. Revenues are higher primarily due to the voters approved new version of Measure U sales tax, raising it from half-cent to a full cent, which took effect on April 1, 2019. Expenditures are higher primarily due to funding of additional fire and police officer positions, capital improvements for parks and expansion of activities in homeless housing and youth enrichment programs. Use of Measure U resources included police, fire, library, animal care, youth, parks, and community enrichment services.

Other Governmental Funds

Other governmental fund revenues increased \$63 million primarily due to the following:

- \$15 million net increase in revenue in the special revenue funds:
 - ❖ \$9 million increase in Operating Grants Fund mainly related to the grants and donations the City received for the Whole Person Care program, the Winter Triage Center Sheltering program and other Homeless Housing program.
 - ❖ \$3 million increase in Economic Development Fund primarily due to the increased tax revenues.
 - ❖ \$2 million increase in Special Districts Fund for assessment levies received by the City.
 - ❖ \$1 million increase in the Transportation and Development Fund revenue.
- \$34 million net increase in revenue in the debt service funds:
 - ❖ \$31 million increase in the 1997 Lease Revenue Bond Fund due to the payoff of the outstanding principal and interest balance made by the Kings group.
- \$13 million net increase in revenue in capital projects funds:
 - ❖ \$6 million increase in the Transportation and Development Fund related to Senate Bill 1 (SB1) due to a full year allocation of gas tax revenues. The program was established late in fiscal year 2018.
 - ❖ \$4 million increase in the Transportation and Development Fund related to STA sales tax reimbursement revenues due to more eligible project expenditures.
 - ❖ \$3 million increase in permit fees and assessment levies in the Financing Plans Fund from developers in the South Natomas facilities benefit assessment, Willowcreek fee district, North Natomas drainage, and citywide low-income housing finance plan areas.

Other governmental fund expenditures increased \$33 million primarily due to the following:

- \$33 million increase in debt service funds mainly due to the payoff of the outstanding principal and interest balance in the 1997 Lease Revenue Bond Fund.

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2019

Enterprise Funds

The City's enterprise fund financial statements provide the same type of information as the government-wide financial statements but in greater detail. Total operating revenues increased \$13 million, and operating expenses increased \$18 million compared to the prior fiscal year. Net nonoperating revenues increased \$16 million and capital contributions decreased \$2 million compared to the prior fiscal year. These changes are discussed in more detail below.

Water Fund

Water Fund operating revenues increased \$8 million primarily due to a 10 percent utility rate increase in fiscal year 2019. Operating expenses increased \$12 million primarily due to a \$4 million increase in labor and pension costs and increases in management consulting services related to operating projects. Net nonoperating expenses decreased \$9 million primarily due to offset associated with an increase of \$6 million in interest and investment revenue due to a better investment portfolio performance and a \$2 million gain on disposal of capital assets associated with the sale of the McAuliffe Field. The Water Fund also recognized \$2.5 million special item due to sale of water to the San Juan Water District. See Note 17 for more information regarding this special item.

Wastewater Fund

Wastewater Fund operating revenues increased \$5 million primarily due to a 9 percent utility rate increase in fiscal year 2019, and a \$1.6 million increase in sewer permits related to private development projects. Operating expenses increased \$5 million primarily due to an increase in labor and pension expenses and additional operating project costs. Net nonoperating revenue increased \$2 million primarily due to an increase in interest and investment revenue due to a better investment portfolio performance. Capital contributions decreased \$5 million, primarily due to decreases of \$3 million associated with Delta Shores Circle South and McKinley Village, and \$1 million decrease in wastewater development impact fees.

Storm Drainage Fund

Net nonoperating revenues increased \$2 million primarily due to an increase in interest and investment revenue due to a better investment portfolio performance. Capital contributions increased \$4 million, i.e. \$6 million related to Sump 64 offset by a decrease of \$2 million related to McKinley Village and Delta Shores Circle South.

Solid Waste Fund

Operating expenses increased \$1 million primarily due to an increase in labor and pension expenses.

Community Center Fund

Community Center Fund operating revenues decreased \$1 million mainly due to the impact of relocating events to the Memorial Auditorium during reconstruction of the Convention Center Complex. Operating expenses increased \$1 million primarily due to increases in security services and consulting services related to the reconstruction offset by a decrease in employee costs. Net nonoperating revenue increased by \$1 million due to the net effects of the increase in investment revenue, and the increase in transient occupancy tax (TOT) offset by the increase in debt service on the new bonds. TOT growth continued this fiscal year due to the strong economy resulting in increased Sacramento area hotel room occupancy and room rates.

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2019

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2019, the City had invested \$3 billion in a broad range of capital assets, including land, buildings, vehicles, parks and park improvements, roads, bridges, and water, wastewater and storm drainage transmission and distribution systems. Current year capital asset additions of \$226 million was offset by current year depreciation expense of \$125 million and retirements of \$1 million, resulting in a net increase in capital assets of \$100 million.

City of Sacramento
Capital Assets
As of June 30, 2019 and 2018
(net of depreciation, in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Capital assets not being depreciated						
Land	\$ 210	\$ 206	\$ 52	\$ 50	\$ 262	\$ 256
Easements	1	1	-	-	1	1
Construction in progress	129	137	364	307	493	444
Depreciable capital assets:						
Buildings and improvements	431	430	133	134	564	564
Equipment	19	22	26	27	45	49
Software	3	4	12	2	15	6
Vehicles	76	62	-	-	76	62
Transmission and distribution systems	4	4	889	833	893	837
Road network	598	627	-	-	598	627
Street light network	151	154	-	-	151	154
Park and park improvements	145	143	-	-	145	143
Total capital assets	\$ 1,767	\$ 1,790	\$ 1,476	\$ 1,353	\$ 3,243	\$ 3,143

This year's major capital asset additions include:

- \$31.3 million for the Convention Center Expansion Project,
- \$12.6 million for the Memorial Auditorium Upgrade Project,
- \$12 million for the AWMP Pipeline Replacements Project,
- Other capital project additions in progress including the Community Center Theater Renovation and East Sacramento, Land Park, Meadowview, North Sacramento, Tahoe Park, and River Park Water Meter Projects. Many other capital projects were completed during the year and transferred from construction in progress to the appropriate capital asset categories.

More detailed information about the City's capital assets is presented in Note 4 to the financial statements.

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2019

Long-term Debt

The following table summarizes the City's outstanding debt (excluding other long-term liabilities):

City of Sacramento						
Outstanding Debt						
As of June 30, 2019 and 2018						
(in millions)						
	Governmental		Business-Type		Total Primary	
	Activities		Activities		Government	
	2019	2018	2019	2018	2019	2018
Revenue and other bonds, net	\$ 513	\$ 565	\$ 832	\$ 510	\$ 1,345	\$ 1,075
Notes payable	14	14	33	23	47	37
Capital lease obligations	1	2	2	4	3	6
Total outstanding debt	\$ 528	\$ 581	\$ 867	\$ 537	\$ 1,395	\$ 1,118

Total outstanding debt for governmental activities decreased \$53 million due to principal payments on existing obligations and net amortization of bond discounts and premiums. The remaining principal of the 1997 Lease Revenue Bonds in the amount of \$33 million was paid off in fiscal year 2019.

Total outstanding debt for business-type activities increased \$330 million mainly due to the following:

- Issuance of the 2018 Transient Occupancy Tax (TOT) Revenue Bonds, Senior Series A and B, and Subordinate Series C at total par of \$283 million plus premium of \$33 million.
- Issuance of the Wastewater Revenue Bonds, Series 2019 at par of \$26 million plus premium of \$6 million.
- Addition of \$14 million to the Drinking Water State Revolving Fund Note.

The increases above were slightly offset by \$31 million in principal payments on existing obligations and net amortization of bond discounts and premiums.

More detailed information about the City's long-term liabilities is presented in Note 7 to the financial statements.

Credit rating

The following table summarizes the City's bonded debt ratings (nr designates not rated) at June 30, 2019, as determined by Standard & Poor's (S & P), Moody's Investors Service, Inc. (Moody's), and Fitch Ratings (Fitch):

Bond issues:	<u>S & P</u>	<u>Moody's</u>	<u>Fitch</u>
• 1993 Refunded Lease Revenue Bonds, Series A	A+	A1	nr
• 1993 Refunded Lease Revenue Bonds, Series B	A+	Aa3	nr
• 2006 Capital Improvement Revenue Bonds, Series B	A+	Aa3	nr
• 2006 Capital Improvement Revenue Bonds, Series E	A+	Aa3	nr
• 2013 Water Revenue Bonds	AA	nr	AA-
• 2013 Wastewater Revenue Bonds	AA	nr	AA
• 2015 Refunding Revenue Bonds	A+/AA	Aa3	nr
• 2015 Lease Revenue Bonds (Golden 1 Center)	A+	nr	A
• 2017 Water Revenue Bonds	AA	nr	AA-
• 2018 TOT Revenue Bonds, Senior Series A&B	nr	A1	nr
• 2018 TOT Revenue Bonds, Subordinate Series C	nr	A2	nr
• 2019 Wastewater Revenue Bonds	AA	nr	AA

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2019

The City's issuer credit rating as of June 30, 2019, is AA- with a stable outlook from Standard & Poor's, Aa2 with a stable outlook from Moody's, and AA- with a stable outlook from Fitch Ratings.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Economic Factors

Sacramento is experiencing a period of sustained growth and transformation, having become an epicenter for new opportunities and a testing ground for technological innovations. The development of the Downtown Railyards is reaching new levels of partnership and momentum, companies such as Centene Corporation are bringing thousands of high-paying, quality jobs to the area, and the expansion/renovation of civic amenities such as the Sacramento Convention Center, Community Center Theater and the Old Sacramento Waterfront are writing the next chapter of activity and vibrancy for our city. In fiscal year 2019, Sacramento delivered over 2,098 new housing units. Unemployment in the Sacramento metropolitan area has fallen from 3.8 percent at the end of fiscal year 2018 to 3.7 percent at the end of fiscal year 2019. Although the trend reflects an increase in revenues, commitments for labor contracts, increases in retirement contributions, and rising costs for utilities continue to add costs to the City's General Fund budget.

Next Year's Budget

General Fund budget appropriations for fiscal year 2020 are \$513.8 million, an increase of 5.3 percent compared to the fiscal year 2019 approved budget. In addition to the allocation of resources for several priority initiatives, the approved budget appropriates \$1 million for a contribution to the City's OPEB trust fund and commits \$2.6 million to the General Fund Economic Uncertainty Reserve.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances, and to demonstrate the City's accountability for the money it receives. If you have questions about this report, need additional financial information, or would like to obtain component unit financial statements, contact the City of Sacramento Department of Finance, Accounting Division, 915 I Street, Fourth Floor, Sacramento, CA, 95814, or visit the City's web page at <http://www.cityofsacramento.org>.

Government-wide Financial Statements

City of Sacramento

Statement of Net Position

June 30, 2019
(in thousands)

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 673,398	\$ 315,447	\$ 988,845
Receivables, net	265,649	61,531	327,180
Internal balances	5,580	(5,580)	-
Inventories	-	1,112	1,112
Prepaid items	4,445	344	4,789
Restricted cash and investments	44,337	359,448	403,785
Intangible assets	-	136	136
Land and other capital assets not being depreciated	339,417	416,383	755,800
Other capital assets, net of depreciation	1,427,740	1,059,278	2,487,018
Total assets	2,760,566	2,208,099	4,968,665
DEFERRED OUTFLOWS OF RESOURCES			
Loss on refunding of debt	3,077	4,588	7,665
Deferred outflows related to pensions	179,541	17,982	197,523
Deferred outflows related to OPEB	16,025	2,381	18,406
Total deferred outflows of resources	198,643	24,951	223,594
LIABILITIES			
Payables	77,382	57,804	135,186
Unearned revenue	7,403	5,240	12,643
Long-term liabilities:			
Due within one year	49,600	34,529	84,129
Due in more than one year	1,794,045	1,017,672	2,811,717
Total liabilities	1,928,430	1,115,245	3,043,675
DEFERRED INFLOWS OF RESOURCES			
Service concession arrangement	2,659	-	2,659
Gain on debt refunding	-	885	885
Deferred inflows related to pensions	36,759	3,063	39,822
Deferred inflows related to OPEB	36,230	6,613	42,843
Total deferred inflows of resources	75,648	10,561	86,209
NET POSITION			
Net investment in capital assets	1,267,837	925,128	2,192,965
Restricted for:			
Capital projects	166,705	40,411	207,116
Debt service	686	-	686
Public works programs	27,792	-	27,792
Economic development programs	48,878	-	48,878
Other programs	39,380	2,963	42,343
Trust and endowments:			
Expendable	9,197	-	9,197
Nonexpendable	878	-	878
Unrestricted	(606,222)	138,742	(467,480)
Total net position	\$ 955,131	\$ 1,107,244	\$ 2,062,375

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento

Statement of Activities

For the Fiscal Year Ended June 30, 2019
(in thousands)

Functions/Programs	Program Revenues					Net (Expense) Revenue
	Operating Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:						
Governmental activities:						
General government	\$ 133,126	\$ (16,844)	\$ 22,908	\$ 25,884	\$ 929	\$ (66,561)
Police	203,303	-	14,550	5,057	-	(183,696)
Fire	169,819	-	42,866	1,910	-	(125,043)
Public works	132,958	-	52,901	12,735	56,844	(10,478)
Convention and cultural services	30,907	-	12,622	546	-	(17,739)
Youth, parks, and community enrichment	61,225	-	13,365	1,326	2,962	(43,572)
Community development	60,466	-	38,218	231	38,168	16,151
Library	18,687	-	-	7,846	-	(10,841)
Interest on long-term debt	23,454	-	-	-	-	(23,454)
Total governmental activities	833,945	(16,844)	197,430	55,535	98,903	(465,233)
Business-type activities:						
Water	92,241	6,788	127,868	2,128	9,533	40,500
Wastewater	30,708	2,351	42,275	-	1,606	10,822
Storm drainage	38,153	2,033	39,969	8	9,318	9,109
Solid waste	54,239	3,169	63,664	557	-	6,813
Community center	25,863	1,195	8,726	-	-	(18,332)
Parking	13,046	1,308	19,735	4	-	5,385
Child development	6,766	-	6,547	603	-	384
Total business-type activities	261,016	16,844	308,784	3,300	20,457	54,681
Total primary government	\$ 1,094,961	\$ -	\$ 506,214	\$ 58,835	\$ 119,360	\$ (410,552)

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento

Statement of Activities

For the Fiscal Year Ended June 30, 2019

(in thousands)

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Changes in net position:			
Net (expense) revenue	\$ (465,233)	\$ 54,681	\$ (410,552)
General revenues:			
Taxes:			
Property taxes	170,439	-	170,439
Utility user taxes	60,128	-	60,128
Local sales tax	64,047	-	64,047
Property transfer tax	14,325	-	14,325
Business operations tax	19,590	-	19,590
Transient occupancy tax	5,904	29,477	35,381
Other taxes	2,131	-	2,131
Unrestricted sales taxes shared state revenue	93,770	-	93,770
Unrestricted investment earnings	20,923	20,020	40,943
Unrestricted miscellaneous	14,834	-	14,834
Gain on sale of capital assets	-	1,747	1,747
Special items	7,000	2,553	9,553
Transfers	35,524	(35,524)	-
Total general revenues, special items, and transfers	508,615	18,273	526,888
Changes in net position	43,382	72,954	116,336
Net position, beginning of year	911,749	1,034,290	1,946,039
Net position, end of year	\$ 955,131	\$ 1,107,244	\$ 2,062,375

The notes to the basic financial statements are an integral part of this statement.

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Fund Financial Statements

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City of Sacramento
Governmental Funds
Balance Sheet

June 30, 2019
(in thousands)

	General Fund	Measure U Fund	2015 Golden 1 Center Lease Revenue Bond Fund
ASSETS			
Cash and investments held by City	\$ 204,427	\$ 24,078	\$ 13,030
Cash and investments held by fiscal agent	-	-	606
Receivables, net:			
Taxes	27,980	18,383	-
Accounts	22,495	-	1,625
Loans	-	-	140,017
Intergovernmental	5,576	-	-
Interest	873	-	42
Prepaid items	-	-	-
Restricted assets:			
Cash and investments held by City	-	-	-
Cash and investments held by fiscal agent	-	-	18,380
Total assets	\$ 261,351	\$ 42,461	\$ 173,700
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 18,175	\$ 1,737	\$ -
Accrued payroll	24,981	-	-
Accrued claims and judgements	344	-	-
Matured notes and interest payable	-	-	-
Due to other funds	-	-	-
Deposits	60	-	-
Unearned revenue	2,451	-	-
Advances from other funds	-	-	-
Total liabilities	46,011	1,737	-
Deferred inflows of resources:			
Unavailable revenue	4,734	-	140,031
Fund balances:			
Nonspendable:			
Permanent fund principal	-	-	-
Restricted:			
Capital projects	-	-	-
Debt service	-	-	18,380
Public works programs	-	-	-
Economic development programs	-	-	-
Other programs	-	-	-
Committed:			
Economic uncertainty	55,200	-	-
Capital projects	39,995	13,197	-
Debt service	-	-	14,655
Fire programs	9,568	-	-
Pension	13,500	-	-
OPEB	6,644	-	-
SCXEA labor for FY2020	4,256	-	-
Gas tax	2,087	-	-
Other programs	46,052	27,527	-
Assigned:			
Debt service	-	-	634
Unrealized investment gains	381	-	-
Other programs	-	-	-
Unassigned	32,923	-	-
Total fund balances	210,606	40,724	33,669
Total liabilities, deferred inflows of resources and fund balances	\$ 261,351	\$ 42,461	\$ 173,700

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento
Governmental Funds
Balance Sheet

June 30, 2019
(in thousands)

	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS		
Cash and investments held by City	\$ 314,049	\$ 555,584
Cash and investments held by fiscal agent	251	857
Receivables, net:		
Taxes	5,733	52,096
Accounts	8,175	32,295
Loans	1,802	141,819
Intergovernmental	29,043	34,619
Interest	659	1,574
Prepaid items	6	6
Restricted assets:		
Cash and investments held by City	15,221	15,221
Cash and investments held by fiscal agent	10,736	29,116
Total assets	\$ 385,675	\$ 863,187
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 16,056	\$ 35,968
Accrued payroll	78	25,059
Accrued claims and judgements	31	375
Matured notes and interest payable	3,521	3,521
Due to other funds	1,231	1,231
Deposits	4,694	4,754
Unearned revenue	4,637	7,088
Advances from other funds	6,692	6,692
Total liabilities	36,940	84,688
Deferred inflows of resources:		
Unavailable revenue	26,970	171,735
Fund balances:		
Nonspendable:		
Permanent fund principal	878	878
Restricted:		
Capital projects	183,772	183,772
Debt service	9,739	28,119
Public works programs	22,071	22,071
Economic development programs	48,878	48,878
Other programs	48,003	48,003
Committed:		
Economic uncertainty	-	55,200
Capital projects	1,210	54,402
Debt service	2,636	17,291
Fire programs	-	9,568
Pension	-	13,500
OPEB	-	6,644
SCXEA labor for FY2020	-	4,256
Gas tax	-	2,087
Other programs	20,946	94,525
Assigned:		
Debt service	2,066	2,700
Unrealized investment gains	51	432
Other programs	88	88
Unassigned	(18,573)	14,350
Total fund balances	321,765	606,764
Total liabilities, deferred inflows of resources and fund balances	\$ 385,675	\$ 863,187

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento
Governmental Funds
Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2019
(in thousands)

Fund balances - total governmental funds		\$ 606,764
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
Revenue and other resources not available to liquidate liabilities of the current period are not recognized in the funds.		171,735
Prepaid bond insurance represents costs associated with the issuance of long-term debt which are amortized over the period the debt is outstanding. The costs are reported as expenditures of the current period in the governmental funds.		240
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds:		
Governmental capital assets	3,262,577	
Less: accumulated depreciation	<u>(1,571,658)</u>	
		1,690,919
Certain current liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of the following:		
Interest payable		(5,210)
Deferred outflows and inflows of resources are not recognized in the current period and therefore not reported in the governmental funds.		
Deferred outflows related to pensions	177,452	
Deferred outflows related to OPEB	15,717	
Deferred inflows related to pensions	(36,552)	
Deferred inflows related to OPEB	(35,355)	
Loss on refunding of debt	<u>3,077</u>	
		124,339
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Accrued compensated absences	(38,811)	
Accrued claims and judgements	(3,434)	
Financing plan fee credits	(32,231)	
Net pension liability	(832,983)	
Net OPEB liability	(299,418)	
Pollution remediation obligations	(692)	
Revenue and other bonds payable, net	(512,381)	
Capital lease obligations payable	(996)	
Notes payable	<u>(12,806)</u>	
		(1,733,752)
Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		<u>100,096</u>
Net position of governmental activities		<u>\$ 955,131</u>

The notes to the basic financial statements are an integral part of this statement.

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City of Sacramento

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2019

(in thousands)

	General Fund	Measure U Fund	2015 Golden 1 Center Lease Revenue Bond Fund
Revenues:			
Taxes	\$ 358,129	\$ 64,047	\$ -
Intergovernmental	16,350	-	-
Charges for services	108,972	-	-
Fines, forfeits, and penalties	15,964	-	-
Interest, rents, and concessions	7,810	1,228	2,557
Community service fees	-	-	-
Assessment levies	356	-	-
Contributions and donations	68	-	-
Miscellaneous	536	-	-
Total revenues	508,185	65,275	2,557
Expenditures:			
Current:			
General government	56,498	722	-
Police	152,637	25,193	-
Fire	124,324	17,205	-
Public works	15,101	450	-
Convention and cultural services	5,723	-	-
Youth, parks, and community enrichment	22,286	9,730	-
Community development	36,039	271	-
Library	9,380	506	-
Utilities	2,285	-	-
Citywide and community support	42,827	-	-
Capital outlay	19,392	6,708	-
Debt service:			
Principal	1,143	-	3,510
Interest and fiscal charges	46	-	9,701
Bond issuance costs	-	-	116
Total expenditures	487,681	60,785	13,327
Excess (deficiency) of revenues over (under) expenditures	20,504	4,490	(10,770)
Other financing sources (uses):			
Transfers in	38,652	-	7,100
Transfers out	(27,919)	-	(190)
Issuance of long-term debt	-	-	-
Special Item	7,000	-	-
Total other financing sources (uses)	17,733	-	6,910
Changes in fund balances	38,237	4,490	(3,860)
Fund balances, beginning of year	172,369	36,234	37,529
Fund balances, end of year	<u>\$ 210,606</u>	<u>\$ 40,724</u>	<u>\$ 33,669</u>

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2019
(in thousands)

	Other Governmental Funds	Total Governmental Funds
Revenues:		
Taxes	\$ 12,583	\$ 434,759
Intergovernmental	81,308	97,658
Charges for services	22,637	131,609
Fines, forfeits, and penalties	433	16,397
Interest, rents, and concessions	13,312	24,907
Community service fees	30,651	30,651
Assessment levies	52,120	52,476
Contributions and donations	48,985	49,053
Miscellaneous	182	718
Total revenues	262,211	838,228
Expenditures:		
Current:		
General government	28,052	85,272
Police	4,708	182,538
Fire	2,514	144,043
Public works	35,738	51,289
Convention and cultural services	9,394	15,117
Youth, parks, and community enrichment	8,850	40,866
Community development	18,032	54,342
Library	7,846	17,732
Utilities	210	2,495
Citywide and community support	-	42,827
Capital outlay	53,075	79,175
Debt service:		
Principal	51,631	56,284
Interest and fiscal charges	15,071	24,818
Bond issuance costs	-	116
Total expenditures	235,121	796,914
Excess (deficiency) of revenues over (under) expenditures	27,090	41,314
Other financing sources (uses):		
Transfers in	24,179	69,931
Transfers out	(5,005)	(33,114)
Issuance of long-term debt	1,325	1,325
Special Item	-	7,000
Total other financing sources (uses)	20,499	45,142
Changes in fund balances	47,589	86,456
Fund balances, beginning of year	274,176	520,308
Fund balances, end of year	\$ 321,765	\$ 606,764

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento
Governmental Funds
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances to the Statement of Activities

For the Fiscal Year Ended June 30, 2019
(in thousands)

Changes in fund balances - total governmental funds		\$ 86,456
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlay as expenditures. In the statement of activities, however, the cost of those assets is allocated over their estimated useful lives as depreciation expense.</p>		
Capital outlay	28,683	
Depreciation expense	<u>(71,798)</u>	(43,115)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds:</p>		
Infrastructure dedications		10,017
<p>Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
Issuance of long-term debt, including premium	(1,325)	
Principal repayments on long-term debt	<u>56,284</u>	54,959
<p>Revenue and other resources not available to liquidate liabilities of the current period are not recognized in governmental funds. Revenue in the statement of activities is not limited by availability, so certain revenues need to be reduced by the amounts that were unavailable at the beginning of the year and increased by the amounts that were unavailable at the end of the year. This adjustment records a net decrease in revenues - unavailable revenues at the end of the year were less than beginning unavailable revenues by this amount.</p>		
		(34,982)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>		
Compensated absences	(1,098)	
Accrued claims and judgements	(338)	
Pension expense	(39,691)	
Other post-employment benefits	2,292	
Pollution remediation	(62)	
Interest	448	
Amortization of prepaid bond insurance	(17)	
Amortization of bond discount	(2)	
Amortization of bond premium	1,147	
Amortization of gain/loss on refunding	<u>(220)</u>	(37,541)
<p>Capital assets transferred from governmental activities to business-type activities are reported as transfers in the statement of activities. The transfers are not reported in the governmental funds as the amount did not involve the transfer of financial resources.</p>		
		(996)
<p>Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet, to individual funds. The net expense of the internal service funds is reported with the governmental activities.</p>		
		<u>8,584</u>
Change in net position of governmental activities		\$ <u>43,382</u>

The notes to the basic financial statements are an integral part of this statement.

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City of Sacramento

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

- Budget and Actual (Non-GAAP Budgetary Basis)

with Budget to GAAP Reconciliation

For the Fiscal Year Ended June 30, 2019

(in thousands)

	Budgeted Amounts		Actual	Variance with	Budget to GAAP Reconciliation	Actual
	Original	Final	Amounts - Budgetary Basis	Final Budget - Positive (Negative)		Amounts - GAAP Basis
Revenues:						
Taxes	\$ 340,003	\$ 346,934	\$ 358,129	\$ 11,195	\$ -	\$ 358,129
Intergovernmental	10,218	12,323	16,350	4,027	-	16,350
Charges for services	95,625	109,128	108,972	(156)	-	108,972
Fines, forfeits and penalties	13,543	15,530	15,964	434	-	15,964
Interest, rents, and concessions	784	2,736	7,810	5,074	-	7,810
Assessment levies	74	74	356	282	-	356
Contributions and donations	-	2	68	66	-	68
Miscellaneous	510	233	536	303	-	536
Total revenues	460,757	486,960	508,185	21,225	-	508,185
Expenditures:						
Current:						
Mayor/Council	6,670	7,947	6,641	1,306	(671)	5,970
City Manager	23,605	40,196	19,621	20,575	(1,601)	18,020
City Attorney	6,449	8,540	6,648	1,892	(46)	6,602
City Clerk	1,645	1,645	1,477	168	-	1,477
City Treasurer	2,141	2,116	1,766	350	(40)	1,726
Finance	6,537	6,672	6,160	512	(232)	5,928
Information technology	13,792	14,552	13,561	991	(675)	12,886
Human resources	4,459	4,694	3,918	776	(29)	3,889
Subtotal - General government	65,298	86,362	59,792	26,570	(3,294)	56,498
Police	147,102	154,112	152,717	1,395	(80)	152,637
Fire	117,711	120,979	124,360	(3,381)	(36)	124,324
Public works	12,882	16,269	15,103	1,166	(2)	15,101
Convention and cultural services	5,943	6,701	6,134	567	(411)	5,723
Youth, parks, and community enrichment	23,376	24,701	22,387	2,314	(101)	22,286
Community development	36,082	38,717	36,456	2,261	(417)	36,039
Library	9,380	9,380	9,380	-	-	9,380
Utilities	2,899	6,672	2,285	4,387	-	2,285
Citywide and community support	44,763	43,480	43,206	274	(379)	42,827
Capital outlay	40,643	54,224	22,335	31,889	(2,943)	19,392
Debt service:						
Principal	1,143	1,143	1,143	-	-	1,143
Interest and fiscal charges	46	46	46	-	-	46
Total expenditures	507,268	562,786	495,344	67,442	(7,663)	487,681
Excess (deficiency) of revenues over (under) expenditures	(46,511)	(75,826)	12,841	88,667	7,663	20,504
Other financing sources (uses):						
Transfers in	34,920	40,543	42,452	1,909	(3,800)	38,652
Transfers out	(28,374)	(27,999)	(27,919)	80	-	(27,919)
Special items	-	-	7,000	7,000	-	7,000
Total other financing sources (uses)	6,546	12,544	21,533	8,989	(3,800)	17,733
Changes in fund balance	(39,965)	(63,282)	34,374	97,656	3,863	38,237
Fund balance, beginning of year	172,369	172,369	172,369	-	-	172,369
Fund balance, end of year	\$ 132,404	\$ 109,087	\$ 206,743	97,656	\$ 3,863	\$ 210,606

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento

Measure U Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

- Budget and Actual (Non-GAAP Budgetary Basis)

with Budget to GAAP Reconciliation

For the Fiscal Year Ended June 30, 2019

(in thousands)

	Budgeted Amounts		Actual Amounts - Budgetary Basis	Variance with Final Budget - Positive (Negative)	Budget to GAAP Reconciliation	Actual Amounts - GAAP Basis
	Original	Final				
Revenues:						
Taxes	\$ 36,543	\$ 58,199	\$ 64,047	\$ 5,848	\$ -	\$ 64,047
Interest, rents, and concessions	-	-	1,228	1,228	-	1,228
Total revenues	<u>36,543</u>	<u>58,199</u>	<u>65,275</u>	<u>7,076</u>	<u>-</u>	<u>65,275</u>
Expenditures:						
Current:						
General government	-	17,828	977	16,851	(255)	722
Police	23,921	25,236	25,204	32	(11)	25,193
Fire	13,271	17,107	17,228	(121)	(23)	17,205
Public works	-	500	450	50	-	450
Youth, parks, and community enrichment	9,630	11,305	10,727	578	(997)	9,730
Community development	-	459	271	188	-	271
Library	506	506	506	-	-	506
Capital outlay	16,643	19,728	7,762	11,966	(1,054)	6,708
Total expenditures	<u>63,971</u>	<u>92,669</u>	<u>63,125</u>	<u>29,544</u>	<u>(2,340)</u>	<u>60,785</u>
Changes in fund balance	(27,428)	(34,470)	2,150	36,620	2,340	4,490
Fund balance, beginning of year	<u>36,234</u>	<u>36,234</u>	<u>36,234</u>	<u>-</u>	<u>-</u>	<u>36,234</u>
Fund balance, end of year	<u>\$ 8,806</u>	<u>\$ 1,764</u>	<u>\$ 38,384</u>	<u>36,620</u>	<u>\$ 2,340</u>	<u>\$ 40,724</u>

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento
Proprietary Funds
Statement of Net Position

June 30, 2019
(in thousands)

	Business-type Activities - Enterprise Funds			
	Water Fund	Wastewater Fund	Storm Drainage Fund	Solid Waste Fund
<u>ASSETS</u>				
Current assets:				
Cash and investments held by City	\$ 107,426	\$ 52,732	\$ 39,244	\$ 45,758
Cash and investments held by fiscal agent	315	-	14	-
Receivables, net:				
Taxes	-	-	-	-
Accounts	19,779	12,379	6,104	9,049
Loans	99	139	461	-
Intergovernmental	2,056	374	1,371	-
Interest	634	338	198	201
Due from other funds	-	-	-	-
Inventories	678	45	389	-
Prepaid items	289	3	13	-
Intangible asset, current portion	-	-	-	-
	<u>131,276</u>	<u>66,010</u>	<u>47,794</u>	<u>55,008</u>
Total current assets				
Noncurrent assets:				
Restricted assets:				
Cash and investments held by City	39,952	25,673	4,702	1,283
Cash and investments held by fiscal agent	7,435	1,020	765	-
Advances to other funds	-	-	-	-
Loans receivable	693	142	1,487	-
Intangible assets	-	-	-	-
Capital assets:				
Land	1,754	1,138	19,937	1,133
Buildings and improvements	44,698	31,224	9,530	32,153
Machinery and equipment	27,293	5,147	17,613	12,437
Vehicles	-	-	-	-
Transmission and distribution system	791,808	195,878	416,266	-
Construction in progress	282,906	6,399	1,772	90
Software	3,695	3,644	3,830	2,151
Easements	134	-	157	-
Less: accumulated depreciation/amortization	<u>(295,757)</u>	<u>(84,348)</u>	<u>(204,476)</u>	<u>(31,977)</u>
	<u>904,611</u>	<u>185,917</u>	<u>271,583</u>	<u>17,270</u>
Total noncurrent assets				
Total assets	<u>1,035,887</u>	<u>251,927</u>	<u>319,377</u>	<u>72,278</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Loss on refunding of debt	4,588	-	-	-
Deferred outflows related to pensions	8,182	1,709	2,073	2,996
Deferred outflows related to OPEB	814	243	374	596
Total deferred outflows of resources	<u>13,584</u>	<u>1,952</u>	<u>2,447</u>	<u>3,592</u>

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento
Proprietary Funds
Statement of Net Position

June 30, 2019
(in thousands)

	Business-type Activities - Enterprise Funds			Governmental
	Community Center Fund	Other Enterprise Funds	Total	Activities - Internal Service Funds
ASSETS				
Current assets:				
Cash and investments held by City	\$ 41,291	\$ 28,486	\$ 314,937	\$ 116,738
Cash and investments held by fiscal agent	147	34	510	219
Receivables, net:				
Taxes	3,645	-	3,645	-
Accounts	327	748	48,386	176
Loans	-	-	699	-
Intergovernmental	-	-	3,801	-
Interest	1,306	1	2,678	411
Due from other funds	-	-	-	1,481
Inventories	-	-	1,112	-
Prepaid items	3	36	344	4,199
Intangible asset, current portion	-	8	8	-
Total current assets	46,719	29,313	376,120	123,224
Noncurrent assets:				
Restricted assets:				
Cash and investments held by City	264,594	35	336,239	-
Cash and investments held by fiscal agent	12,199	1,790	23,209	-
Advances to other funds	-	-	-	12,022
Loans receivable	-	-	2,322	-
Intangible assets	-	128	128	-
Capital assets:				
Land	21,740	5,825	51,527	-
Buildings and improvements	113,040	62,937	293,582	7,159
Machinery and equipment	4,913	6,235	73,638	543
Vehicles	-	-	-	168,903
Transmission and distribution system	-	-	1,403,952	-
Construction in progress	68,996	4,402	364,565	307
Software	46	32	13,398	256
Easements	-	-	291	-
Less: accumulated depreciation/amortization	(67,913)	(40,821)	(725,292)	(100,930)
Total noncurrent assets	417,615	40,563	1,837,559	88,260
Total assets	464,334	69,876	2,213,679	211,484
DEFERRED OUTFLOWS OF RESOURCES				
Loss on refunding of debt	-	-	4,588	-
Deferred outflows related to pensions	1,371	1,651	17,982	2,089
Deferred outflows related to OPEB	168	186	2,381	308
Total deferred outflows of resources	1,539	1,837	24,951	2,397

City of Sacramento
Proprietary Funds
Statement of Net Position

June 30, 2019
(in thousands)

	Business-type Activities - Enterprise Funds			
	Water Fund	Wastewater Fund	Storm Drainage Fund	Solid Waste Fund
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	15,681	14,329	1,494	2,154
Due to other funds	-	-	-	-
Accrued payroll	1,842	397	691	724
Accrued compensated absences	240	48	70	100
Interest payable	4,649	792	97	53
Liability for landfill closure	-	-	-	158
Deposits	10	-	15	-
Unearned revenue	4,157	-	-	-
Accrued claims and judgements	102	80	134	337
Capital leases payable	-	-	-	-
Revenue and other bonds payable, net	14,057	1,013	737	1,126
Notes payable	459	783	2,437	-
Total current liabilities	41,197	17,442	5,675	4,652
Noncurrent liabilities:				
Accrued compensated absences	2,815	673	1,313	1,234
Advances from other funds	-	-	-	-
Water fee credits	214	-	-	-
Net OPEB liability	17,224	6,122	7,755	20,034
Accrued claims and judgements	-	-	-	-
Liability for landfill closure	-	-	-	2,056
Capital leases payable	-	-	-	-
Revenue and other bonds payable, net	391,145	60,735	786	14,004
Notes payable	24,522	716	4,268	-
Net pension liability	39,050	13,106	28,231	20,278
Total noncurrent liabilities	474,970	81,352	42,353	57,606
Total liabilities	516,167	98,794	48,028	62,258
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Gain on debt refunding	381	-	-	261
Deferred inflows related to pensions	1,101	251	477	743
Deferred inflows related to OPEB	2,034	723	916	2,365
Total deferred inflows of resources	3,516	974	1,393	3,369
<u>NET POSITION</u>				
Net investment in capital assets	446,790	116,865	257,282	785
Restricted for:				
Capital projects	34,832	5,579	-	-
Other programs	-	-	1,755	1,208
Unrestricted	48,166	31,667	13,366	8,250
Total net position	\$ 529,788	\$ 154,111	\$ 272,403	\$ 10,243

(continued)

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento
Proprietary Funds
Statement of Net Position

June 30, 2019
(in thousands)

	Business-type Activities - Enterprise Funds			Governmental
	Community Center Fund	Other Enterprise Funds	Total	Activities - Internal Service Funds
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	10,489	1,732	45,879	3,082
Due to other funds	250	-	250	-
Accrued payroll	263	491	4,408	618
Accrued compensated absences	44	38	540	79
Interest payable	1,293	93	6,977	3
Liability for landfill closure	-	-	158	-
Deposits	-	515	540	-
Unearned revenue	472	611	5,240	315
Accrued claims and judgements	9	45	707	19,799
Capital leases payable	-	1,367	1,367	15
Revenue and other bonds payable, net	8,371	2,774	28,078	384
Notes payable	-	-	3,679	-
Total current liabilities	21,191	7,666	97,823	24,295
Noncurrent liabilities:				
Accrued compensated absences	372	570	6,977	941
Advances from other funds	5,330	-	5,330	-
Water fee credits	-	-	214	-
Net OPEB liability	1,836	3,030	56,001	7,427
Accrued claims and judgements	-	-	-	65,714
Liability for landfill closure	-	-	2,056	-
Capital leases payable	-	973	973	-
Revenue and other bonds payable, net	321,721	15,078	803,469	421
Notes payable	-	-	29,506	-
Net pension liability	7,932	9,879	118,476	13,905
Total noncurrent liabilities	337,191	29,530	1,023,002	88,408
Total liabilities	358,382	37,196	1,120,825	112,703
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Gain on debt refunding	-	243	885	-
Deferred inflows related to pensions	185	306	3,063	207
Deferred inflows related to OPEB	217	358	6,613	875
Total deferred inflows of resources	402	907	10,561	1,082
<u>NET POSITION</u>				
Net investment in capital assets	83,441	19,965	925,128	75,418
Restricted for:				
Capital projects	-	-	40,411	-
Other programs	-	-	2,963	-
Unrestricted	23,648	13,645	138,742	24,678
Total net position	\$ 107,089	\$ 33,610	\$ 1,107,244	\$ 100,096

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento
Proprietary Funds
Statement of Revenues, Expenses
and Changes in Net Position

For the Fiscal Year Ended June 30, 2019
(in thousands)

	Business-type Activities - Enterprise Funds			
	Water Fund	Wastewater Fund	Storm Drainage Fund	Solid Waste Fund
Operating revenues:				
Charges for services:				
User fees and charges	\$ 127,868	\$ 41,185	\$ 38,653	\$ 63,045
Rents and concessions	-	-	-	175
Charge to other agencies for contract services	-	1,090	1,316	-
Miscellaneous	-	-	-	444
Total operating revenues	<u>127,868</u>	<u>42,275</u>	<u>39,969</u>	<u>63,664</u>
Operating expenses:				
Employee services	42,161	10,993	15,601	19,408
Services and supplies	19,198	16,356	13,326	35,831
Depreciation/amortization	21,669	4,117	10,852	1,445
Insurance premiums	-	-	-	-
Claims and judgements	-	22	94	264
Total operating expenses	<u>83,028</u>	<u>31,488</u>	<u>39,873</u>	<u>56,948</u>
Operating income (loss)	<u>44,840</u>	<u>10,787</u>	<u>96</u>	<u>6,716</u>
Nonoperating revenues (expenses):				
Interest and investment revenue	6,570	2,087	1,706	1,827
Transient occupancy taxes	-	-	-	-
Revenue from other agencies	2,128	-	8	557
Insurance and other claim recoveries	-	-	-	-
Interest expense	(15,978)	(1,571)	(313)	(460)
Amortization of bond prepaid insurance	(23)	-	-	-
Gain or (loss) on disposition of capital assets	1,743	-	-	-
Total nonoperating revenues (expenses)	<u>(5,560)</u>	<u>516</u>	<u>1,401</u>	<u>1,924</u>
Income before capital contributions, transfers, and special item	39,280	11,303	1,497	8,640
Capital contributions	9,654	1,855	9,944	-
Transfers in	93	164	5	25
Transfers out	(14,242)	(4,397)	(4,342)	(7,037)
Special item	2,553	-	-	-
Changes in net position	<u>37,338</u>	<u>8,925</u>	<u>7,104</u>	<u>1,628</u>
Total net position, beginning of year	<u>492,450</u>	<u>145,186</u>	<u>265,299</u>	<u>8,615</u>
Total net position, end of year	<u>\$ 529,788</u>	<u>\$ 154,111</u>	<u>\$ 272,403</u>	<u>\$ 10,243</u>

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento
Proprietary Funds
Statement of Revenues, Expenses
and Changes in Net Position

For the Fiscal Year Ended June 30, 2019
(in thousands)

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Community Center Fund	Other Enterprise Funds	Total	
Operating revenues:				
Charges for services:				
User fees and charges	\$ 2,856	\$ 25,391	\$ 298,998	\$ 85,586
Rents and concessions	5,827	857	6,859	-
Charge to other agencies for contract services	-	-	2,406	-
Miscellaneous	43	34	521	8
Total operating revenues	8,726	26,282	308,784	85,594
Operating expenses:				
Employee services	6,281	10,410	104,854	13,286
Services and supplies	9,072	8,291	102,074	29,620
Depreciation/amortization	1,936	1,680	41,699	11,923
Insurance premiums	-	-	-	5,835
Claims and judgements	1	1	382	20,255
Total operating expenses	17,290	20,382	249,009	80,919
Operating income (loss)	(8,564)	5,900	59,775	4,675
Nonoperating revenues (expenses):				
Interest and investment revenue	6,771	1,059	20,020	4,318
Transient occupancy taxes	29,477	-	29,477	-
Revenue from other agencies	-	607	3,300	18
Insurance and other claim recoveries	-	-	-	360
Interest expense	(9,768)	(738)	(28,828)	(10)
Amortization of bond prepaid insurance	-	-	(23)	-
Gain or (loss) on disposition of capital assets	-	4	1,747	(480)
Total nonoperating revenues (expenses)	26,480	932	25,693	4,206
Income before capital contributions, transfers, and special item	17,916	6,832	85,468	8,881
Capital contributions	-	-	21,453	-
Transfers in	-	5,307	5,594	412
Transfers out	(2,429)	(9,667)	(42,114)	(709)
Special item	-	-	2,553	-
Changes in net position	15,487	2,472	72,954	8,584
Total net position, beginning of year	91,602	31,138	1,034,290	91,512
Total net position, end of year	\$ 107,089	\$ 33,610	\$ 1,107,244	\$ 100,096

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento

Proprietary Funds

Statement of Cash Flows

For the Fiscal Year Ended June 30, 2019

(in thousands)

	Business-type Activities - Enterprise Funds			
	Water Fund	Wastewater Fund	Storm Drainage Fund	Solid Waste Fund
Cash flows from operating activities:				
Receipts from customers and users	\$ 129,649	\$ 41,667	\$ 39,677	\$ 63,593
Receipts from interfund services provided	-	-	-	-
Payments to suppliers	(19,073)	(16,673)	(12,985)	(35,671)
Payments to employees	(37,195)	(9,918)	(15,000)	(17,844)
Claims and judgements paid	(17)	(34)	(87)	(123)
Net cash provided by (used for) operating activities	<u>73,364</u>	<u>15,042</u>	<u>11,605</u>	<u>9,955</u>
Cash flows from noncapital financing activities:				
Transient occupancy taxes	-	-	-	-
Transfers in from other funds	93	164	5	25
Transfers out to other funds	(13,694)	(4,331)	(4,342)	(6,880)
Collections on interfund loans	-	-	-	-
Loans made to other funds	-	-	-	-
Interfund loan repayments	11,075	-	-	-
Intergovernmental revenue received	807	-	-	557
Claim and judgement recoveries	-	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>(1,719)</u>	<u>(4,167)</u>	<u>(4,337)</u>	<u>(6,298)</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(88,298)	(11,446)	(2,790)	(1,593)
Proceeds from sale of capital assets	1,743	-	-	-
Proceeds from issuance of debt	13,861	32,005	-	-
Principal payments on capital debt	(11,258)	(1,397)	(3,091)	(925)
Interest payments on capital debt	(18,662)	(1,379)	(337)	(651)
Intergovernmental revenue received	-	-	8	-
Transfers in from other funds	-	-	-	-
Transfers out to other funds	(548)	(66)	-	(157)
Capital contributions received	4,953	1,837	-	-
Loan repayments received	99	136	451	-
Net cash provided by (used for) capital and related financing activities	<u>(98,110)</u>	<u>19,690</u>	<u>(5,759)</u>	<u>(3,326)</u>
Cash flows from investing activities:				
Collection of interest and investment	6,868	2,004	1,744	1,870
Loan repayments received	-	-	-	-
Net cash provided by investing activities	<u>6,868</u>	<u>2,004</u>	<u>1,744</u>	<u>1,870</u>
Net increase (decrease) in cash and cash equivalents	(19,597)	32,569	3,253	2,201
Cash and cash equivalents, beginning of year	<u>174,725</u>	<u>46,856</u>	<u>41,472</u>	<u>44,840</u>
Cash and cash equivalents, end of year	<u>\$ 155,128</u>	<u>\$ 79,425</u>	<u>\$ 44,725</u>	<u>\$ 47,041</u>

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento

Proprietary Funds

Statement of Cash Flows

For the Fiscal Year Ended June 30, 2019

(in thousands)

	Business-type Activities - Enterprise Funds			Governmental
	Community Center Fund	Other Enterprise Funds	Total	Activities - Internal Service Funds
Cash flows from operating activities:				
Receipts from customers and users	\$ 7,655	\$ 27,142	\$ 309,383	\$ -
Receipts from interfund services provided	-	-	-	154,317
Payments to suppliers	(9,031)	(8,210)	(101,643)	(104,487)
Payments to employees	(5,662)	(9,577)	(95,196)	(11,914)
Claims and judgements paid	(6)	(1)	(268)	(13,516)
Net cash provided by (used for) operating activities	(7,044)	9,354	112,276	24,400
Cash flows from noncapital financing activities:				
Transient occupancy taxes	29,638	-	29,638	-
Transfers in from other funds	-	5,307	5,594	-
Transfers out to other funds	(2,429)	(2,086)	(33,762)	(643)
Collections on interfund loans	-	-	-	575
Loans made to other funds	-	-	-	(1,231)
Interfund loan repayments	(19,084)	-	(8,009)	-
Intergovernmental revenue received	-	606	1,970	18
Claim and judgement recoveries	-	-	-	933
Net cash provided by (used for) noncapital financing activities	8,125	3,827	(4,569)	(348)
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(39,570)	(808)	(144,505)	(25,422)
Proceeds from sale of capital assets	-	4	1,747	667
Proceeds from issuance of debt	315,870	-	361,736	-
Principal payments on capital debt	(6,926)	(3,857)	(27,454)	(392)
Interest payments on capital debt	(9,100)	(906)	(31,035)	(51)
Intergovernmental revenue received	-	-	8	-
Transfers in from other funds	-	-	-	346
Transfers out to other funds	-	(7,581)	(8,352)	-
Capital contributions received	-	-	6,790	-
Loan repayments received	-	-	686	-
Net cash provided by (used for) capital and related financing activities	260,274	(13,148)	159,621	(24,852)
Cash flows from investing activities:				
Collection of interest and investment	5,701	1,196	19,383	4,372
Loan repayments received	43	-	43	-
Net cash provided by investing activities	5,744	1,196	19,426	4,372
Net increase (decrease) in cash and cash equivalents	267,099	1,229	286,754	3,572
Cash and cash equivalents, beginning of year	51,132	29,116	388,141	113,385
Cash and cash equivalents, end of year	\$ 318,231	\$ 30,345	\$ 674,895	\$ 116,957

The notes to the basic financial statements are an integral part of this statement.

(continued)

City of Sacramento

Proprietary Funds

Statement of Cash Flows

For the Fiscal Year Ended June 30, 2019

(in thousands)

	Business-type Activities - Enterprise Funds			
	Water Fund	Wastewater Fund	Storm Drainage Fund	Solid Waste Fund
Reconciliation of cash and cash equivalents to the Statement of Net Position:				
Cash and investments held by City	\$ 107,426	\$ 52,732	\$ 39,244	\$ 45,758
Cash and investments held by fiscal agent	315	-	14	-
Restricted cash and investments held by City	39,952	25,673	4,702	1,283
Restricted cash and investments held by fiscal agent	7,435	1,020	765	-
Total cash and cash equivalents, end of year	\$ 155,128	\$ 79,425	\$ 44,725	\$ 47,041
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 44,840	\$ 10,787	\$ 96	\$ 6,716
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation/amortization expense	21,669	4,117	10,852	1,445
Amortization of intangible assets	-	-	-	-
Special item - sale of water	2,553	-	-	-
Changes in assets, liabilities, and deferred outflows and inflows of resources:				
Accounts receivable, net	(1,301)	(608)	(234)	(71)
Intergovernmental receivables	-	-	(58)	-
Inventories	194	-	5	-
Prepaid items	(7)	(2)	(5)	-
Accounts payable	(62)	(315)	341	443
Accrued payroll	264	(56)	(9)	27
Accrued compensated absences	889	104	(746)	66
Accrued claims and judgements	(40)	(12)	7	15
Liability for landfill closure	-	-	-	(157)
Deposits	(5)	-	-	-
Unearned revenue	534	-	-	-
Net pension liability and related deferred outflows/inflows of resources	3,877	996	1,382	1,170
Net OPEB liability and related deferred outflows/inflows of resources	(41)	31	(26)	301
Net cash provided by (used for) operating activities	\$ 73,364	\$ 15,042	\$ 11,605	\$ 9,955
Noncash investing, capital and financing activities:				
Contributions of capital assets	\$ 4,392	\$ 602	\$ 9,318	\$ -
Transfer of capital assets from governmental funds, net of depreciation	121	249	626	-
Amortization of bond premium and discount	2,716	130	(10)	159
Amortization of bond loss on refunding	(328)	-	-	-
Amortization of bond gain on refunding	190	-	-	26
Amortization of bond prepaid insurance	(23)	-	-	-
Decrease in prepaid items for capital assets	-	-	-	-
Capital asset acquisitions on accounts payable	12,900	1,644	343	401

(continued)

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento

Proprietary Funds

Statement of Cash Flows

For the Fiscal Year Ended June 30, 2019

(in thousands)

	Business-type Activities - Enterprise Funds			Governmental
	Community Center Fund	Other Enterprise Funds	Total	Activities - Internal Service Funds
Reconciliation of cash and cash equivalents to the Statement of Net Position:				
Cash and investments held by City	\$ 41,291	\$ 28,486	\$ 314,937	\$ 116,738
Cash and investments held by fiscal agent	147	34	510	219
Restricted cash and investments held by City	264,594	35	336,239	-
Restricted cash and investments held by fiscal agent	12,199	1,790	23,209	-
Total cash and cash equivalents, end of year	\$ 318,231	\$ 30,345	\$ 674,895	\$ 116,957
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (8,564)	\$ 5,900	\$ 59,775	\$ 4,675
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation/amortization expense	1,936	1,672	41,691	11,923
Amortization of intangible assets	-	8	8	-
Special item - sale of water	-	-	2,553	-
Changes in assets, liabilities, and deferred outflows and inflows of resources:				
Accounts receivable, net	(69)	316	(1,967)	14
Intergovernmental receivables	-	-	(58)	-
Inventories	-	-	199	-
Prepaid items	3	-	(11)	-
Accounts payable	38	81	526	(349)
Accrued payroll	(4)	64	286	78
Accrued compensated absences	(34)	19	298	38
Accrued claims and judgements	(5)	(5)	(40)	6,739
Liability for landfill closure	-	-	(157)	-
Deposits	-	371	366	-
Unearned revenue	(1,002)	173	(295)	24
Net pension liability and related deferred outflows/inflows of resources	742	809	8,976	1,234
Net OPEB liability and related deferred outflows/inflows of resources	(85)	(54)	126	24
Net cash provided by (used for) operating activities	\$ (7,044)	\$ 9,354	\$ 112,276	\$ 24,400
Noncash investing, capital and financing activities:				
Contributions of capital assets	\$ -	\$ -	\$ 14,312	\$ -
Transfer of capital assets from governmental funds, net of depreciation	-	-	996	-
Amortization of bond premium and discount	708	127	3,830	40
Amortization of bond loss on refunding	-	-	(328)	-
Amortization of bond gain on refunding	-	24	240	-
Amortization of bond prepaid insurance	-	-	(23)	-
Decrease in prepaid items for capital assets	-	-	-	1,022
Capital asset acquisitions on accounts payable	(8,962)	4	6,330	871

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento
Fiduciary Funds
Statement of Net Position

June 30, 2019
(in thousands)

	Pension Trust Fund	Investment Trust Funds	Private Purpose Trust Fund	Agency Funds
<u>ASSETS</u>				
Cash and cash equivalents held by City	\$ 8,344	\$ 166,742	\$ 9,677	\$ 17,166
Cash and investments held by fiscal agent	-	-	22,968	19,302
Prepays	-	-	272	-
Receivables, net:				
Taxes	-	-	-	290
Accounts	-	-	-	9
Interest	1,300	565	-	46
Investments, at fair value:				
U.S. government obligations	813	-	-	-
Corporate bonds/notes	23,268	-	-	-
Equity securities	32,110	-	-	-
Exchange traded funds	164,194	-	-	-
Municipal bonds/notes	52,775	-	-	-
Mortgage loans	1,307	-	-	-
Loans receivable	-	-	5,231	-
Capital assets:				
Land	-	-	5,051	-
Buildings and improvements	-	-	233	-
Less: accumulated depreciation/amortization	-	-	(81)	-
Total assets	284,111	167,307	43,351	\$ 36,813
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Loss on refunding of debt	-	-	1,834	\$ -
<u>LIABILITIES</u>				
Accounts payable	7	-	512	371
Benefits payable	2,536	-	-	-
Due to bondholders	-	-	-	36,442
Interest payable	-	-	387	-
Contracts payable	-	-	15,875	-
Pollution remediation obligations	-	-	-	-
Bonds payable	-	-	68,356	-
Notes payable	-	-	173,687	-
Total liabilities	2,543	-	258,817	\$ 36,813
<u>NET POSITION</u>				
Held in trust for:				
Net position restricted for pensions	281,568	-	-	
External pool participants	-	167,307	-	
Redevelopment dissolution	-	-	(213,632)	
Total net position (deficit)	\$ 281,568	\$ 167,307	\$ (213,632)	

The notes to the basic financial statements are an integral part of this statement.

City of Sacramento
Fiduciary Funds
Statement of Changes in Net Position

For the Fiscal Year Ended June 30, 2019
(in thousands)

	Pension Trust Fund	Investment Trust Funds	Private Purpose Trust Fund
Additions:			
Property taxes	\$ -	\$ -	\$ 29,577
Contributions:			
Employer	7,507	-	-
Employees	49	-	-
Total contributions	<u>7,556</u>	<u>-</u>	<u>-</u>
Investment income:			
From investment activities:			
Net appreciation (depreciation) in fair value of investments	10,940	1,939	
Interest	4,130	3,627	855
Dividends	4,568	-	
Total investment income	<u>19,638</u>	<u>5,566</u>	<u>855</u>
Investment expenses:			
Banking, interest, and fiscal agent expenses	52	156	-
Professional services	1,049	-	-
Total investment expenses	<u>1,101</u>	<u>156</u>	<u>-</u>
Net income from investment activities	<u>18,537</u>	<u>5,410</u>	<u>855</u>
Deposits	<u>-</u>	<u>77,825</u>	<u>-</u>
Total additions	<u>26,093</u>	<u>83,235</u>	<u>30,432</u>
Deductions:			
Benefits	30,880	-	-
Refunds of employee contributions	254	-	-
Withdrawals	-	72,709	-
Interest expense	-	-	11,376
Other enforceable obligation payments	-	-	7,878
Loan forgiveness	-	-	23
Loss on disposal of capital asset	-	-	1,566
Depreciation expense	-	-	12
Total deductions	<u>31,134</u>	<u>72,709</u>	<u>20,855</u>
Changes in net position	(5,041)	10,526	9,577
Net position (deficit), beginning of year	<u>286,609</u>	<u>156,781</u>	<u>(223,209)</u>
Net position (deficit), end of year	<u>\$ 281,568</u>	<u>\$ 167,307</u>	<u>\$ (213,632)</u>

The notes to the basic financial statements are an integral part of this statement.

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Notes to the Basic Financial Statements

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DEFINITION OF REPORTING ENTITY

The City of Sacramento (City) was incorporated in 1849 under the laws of the State of California. Sacramento is a charter city and operates under a City Council – City Manager form of government. The City provides a full range of municipal services including police, fire, water, wastewater, storm drainage, solid waste, construction and maintenance of streets, planning and zoning, code enforcement, parks, recreation programs, and cultural activities.

These basic financial statements present the financial status of the City and its component units, which are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

Blended Component Units

The Sacramento City Financing Authority (SCFA) is a joint exercise of powers entity created by the City and the former Redevelopment Agency of the City of Sacramento to facilitate the financing and refinancing of public capital facilities. Most of the debt of the SCFA is backed by the City's General Fund. The SCFA is governed by the City Council.

The Sacramento Public Financing Authority (SPFA) is a joint exercise of powers entity created by the City and the Sacramento City Housing Authority to facilitate the financing and refinancing of public capital facilities. Most of the debt of the SPFA is backed by the City. The SPFA is governed by the City Council.

Fiduciary-type Component Units

Sacramento City Employees' Retirement System (SCERS) is a single employer pension plan sponsored and administered by the City for City employees, except public safety employees, hired before January 29, 1977 and public safety employees who retired with SCERS benefits before December 30, 1989. Under provisions of the City Charter, SCERS is managed by the Administration, Investment and Fiscal Management Board (the Board), consisting of the City Manager, City Director of Finance, City Treasurer and two residents of the City appointed by the City Council. Duties of the Board include the adoption of investment standards for SCERS, the establishment of contribution rates, the administration and investment of funds, the selection of investment advisors, the crediting of interest and any action relating to the fiscal management of SCERS. Complete stand-alone financial statements may be obtained by writing the City of Sacramento Department of Finance, 915 I Street, 4th Floor, Sacramento, CA 95814.

The Successor Agency to the Redevelopment Agency of the City of Sacramento (Successor Agency) was created to serve as a custodian for the assets and to wind down the affairs of the former Redevelopment Agency of the City of Sacramento. The City was designated to serve as the Successor Agency subject to control of an Oversight Board. The Oversight Board is comprised of seven member representatives from local government bodies: two appointed by the Mayor, two County of Sacramento (County) representatives, the County Superintendent of Education, the Chancellor of California Community Colleges, and the largest special district taxing entity. Based upon the nature of the Successor Agency's custodial role, it is reported as a fiduciary fund (private purpose trust fund). Financial statements may be obtained from the City's Department of Finance.

ACCOUNTING POLICIES

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the City are described below.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Pronouncements

GASB Statement No. 83 – In November 2016, GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This Statement also requires disclosure of information about the nature of a government's AROs, the methods and assumptions used for the estimates of the liabilities, and the estimated remaining useful life of the associated tangible capital assets. The provisions in Statement 83 are effective for fiscal years beginning after June 15, 2018. The applicable provisions were implemented July 1, 2018 and did not have a material impact to the financial statements.

GASB Statement No. 88 – In March 2018, the GASB issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The objective of this Statement is to improve consistency in the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements, and to provide financial statement users with additional essential information about debt. The provisions in Statement 88 are effective for fiscal years beginning after June 15, 2018. The applicable provisions were implemented July 1, 2018 and did not have a material impact to the financial statements.

The City is currently analyzing its accounting and financial reporting practices to determine the potential impact on the financial statements of the following GASB Statements:

GASB Statement No. 84 – In January 2017, 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 also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The provisions in Statement 84 are effective for fiscal years beginning after December 15, 2018. The City has not determined the effect of implementing this statement.

GASB Statement No. 87 – In June 2017, 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; enhancing the comparability of financial statements between governments; and also enhancing the relevance, reliability (representational faithfulness), and consistency of information about the leasing activities of governments. The provisions in Statement 87 are effective for fiscal years beginning after December 15, 2019. The City has not determined the effect of implementing this statement.

GASB Statement No. 90 – In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests - An Amendment of GASB Statements No. 14 and No. 61*. The objectives of this Statement are to improve consistency in the measurement and comparability of the financial statement presentation of majority equity interests in a legally separate organizations and to improve the relevance of financial statement information for certain component units. The provisions in Statement 90 are effective for fiscal years beginning after December 15, 2018. The City has not determined the effect of implementing this statement.

GASB Statement No. 91 – In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The 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. The provisions in Statement 91 are effective for fiscal years beginning after December 15, 2020. The City has not determined the effect of implementing this statement.

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the City is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are allocated to expenses and capital assets of governmental and business-type activities. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been removed from the government-wide financial statements. Internal service fund activity has been eliminated from the statement of activities. The effect of interfund services provided and used between functions, such as the sale of water from the Water Fund to the General Fund, has not been eliminated in the statement of activities. The City's payments in lieu of taxes from its enterprise funds to the General Fund are reported as interfund transfers.

The accounts of the City are organized on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. Each fund was established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions or limitations. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary trust fund financial statements. Agency funds, included in the fiduciary fund financial statements, are also reported using the accrual basis of accounting, however they are not reported using a measurement focus because only assets and liabilities are presented. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, utility user taxes, intergovernmental revenue, special assessments, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund and accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Measure U Special Revenue Fund was established to account for the temporary half-cent sales tax approved by voters on November 6, 2012. On November 6, 2018, Sacramento voters approved a new version of the City's Measure U sales and use tax eliminating the sunset provision and raising it from half-cent to one cent. The new once cent sales and use tax was effective April 1, 2019.

The 2015 Golden 1 Center Lease Revenue Bond Fund accounts for debt service activities related to financing a portion of the costs of construction of a multi-purpose entertainment and sports complex located in the downtown area of Sacramento.

The City reports the following major enterprise funds:

The Water Fund accounts for the operation and maintenance of the City's water treatment and water transmission and distribution systems.

The Wastewater Fund accounts for the operation and maintenance of the City's wastewater system.

The Storm Drainage Fund accounts for the operation and maintenance of the City's surface drainage system.

The Solid Waste Fund accounts for the collection and disposal of refuse throughout the City and for landfill closure.

The Community Center Fund accounts for the operation and maintenance of the City's Community Center, including the theater and exhibit halls.

Additionally, the City reports the following fund types:

Internal Service Funds account for the financing of fleet and risk management services to other departments on a cost reimbursement basis.

The Pension Trust Fund accounts for the assets held on behalf of the Sacramento City Employees' Retirement System (SCERS) for pension benefit payments to qualified employees.

Investment Trust Funds account for the net position held on behalf of investors, in the City's investment pool and individual accounts, who are not part of the City's financial reporting entity.

The Private Purpose Trust Fund accounts for the assets received by the Successor Agency from the City's former redevelopment agency in order to liquidate its enforceable obligations, pursuant to Assembly Bill X1 26 which dissolved redevelopment agencies in California.

Agency Funds account for assets held by the City as an agent for bonded assessment and community facilities districts.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019

(dollar amounts expressed in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, including fees, fines and forfeitures, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Program revenues also include earnings on investments that are legally restricted for a specific program. Internally dedicated resources are reported as general revenues rather than as program revenue. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted net position are available for use, it is the City's practice to use restricted resources first followed by unrestricted resources as they are needed. When all fund balance types are available, it is the City's practice to use restricted resources first, followed by committed, assigned and unassigned resources as they are needed.

Budget Information

The City Manager submits a proposed budget to the City Council no later than 60 days prior to the commencement of the fiscal year. The City Council holds public hearings, modifies the City Manager's recommendations, and adopts a final budget in June. The budget adoption resolution specifies that budgets will be controlled at the department level (e.g., police, fire, public works, parks and recreation etc.) by fund.

Annual budgets are adopted for the General Fund, Measure U Fund, the City/County Office of Metropolitan Water Planning (CCOMWP) Fund, the Cal EPA Fund, as well as certain activities within the Transportation and Development Fund, the Culture and Leisure Fund, the Parks and Recreation Fund, and the Special Districts Fund. Annual budgets are also adopted for the enterprise and internal service funds, although they are not legally required. Multi-year project-length budgets are adopted for the General Fund, capital projects funds, and the Operating Grants Fund where appropriations remain authorized for each project until closed, irrespective of fiscal year. Expenditures are appropriated on a modified accrual basis, except that commitments related to purchase orders are treated as expenditures in the year of commitment.

Budgets are modified throughout the year when the tax base changes, fees are modified, new revenue sources are identified, or programs are changed. The City Manager is authorized to administratively amend the budget during the year for transactions up to \$100 without City Council approval. All other appropriation adjustments during the year require City Council approval. Significant appropriation adjustments were not required during the year ended June 30, 2019. Unencumbered annual budget appropriations lapse at fiscal year-end. The City honors contracts represented by year-end encumbrances and the appropriations carried over provide authority to complete these transactions in future years. Multi-year project-length budget appropriations are automatically carried over into the next fiscal year.

Financial Statement Elements

Fair Value Measurement – The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statements Elements (Continued)

Property Taxes - Article XIII of the California Constitution (Proposition 13) limits ad valorem taxes on real property to one percent of value plus taxes necessary to pay indebtedness approved by voters prior to July 1, 1978. The Article also established the 1975/76 assessed valuation as the base and limits annual increases to the cost of living, not to exceed two percent, for each year thereafter. Property may also be reassessed to full market value after a sale, transfer of ownership, or completion of new construction. The State is prohibited under the Article from imposing new ad valorem, sales, or transactions taxes on real property. Local governments may impose special taxes (except on real property) with the approval of two-thirds of the qualified electors.

Property taxes are levied annually by the Sacramento County Assessor on July 1 and become a lien on property on the preceding January 1. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively.

The City participates in an alternative method of distribution of property tax levies and assessments known as the "Teeter Plan". The State Revenue and Taxation Code allows counties to distribute secured real property, assessment and supplemental property taxes on an accrual basis resulting in full payment to cities each fiscal year. Any subsequent delinquent payments and related penalties and interest during a fiscal year will revert to Sacramento County. The Teeter Plan payment, which includes 95% of the outstanding accumulated delinquency, is included in property tax revenue. Under the Teeter Plan code, 5% of the delinquency must remain with the County as a reserve for Teeter Plan funding.

Receivables and Payables – Property taxes, sales taxes, utility user taxes, and other taxes, related to the current fiscal year are accrued as revenue and accounts receivable and considered available if received within 60 days of year end.

Federal and State grants are considered receivable and accrued as revenue when all eligibility requirements have been met under the accrual basis of accounting in the government-wide statement of net position. The amount recognized as revenue under the modified accrual basis of accounting is limited to the amount that is deemed measurable and available as described above.

Long-term loans receivable reported in the governmental fund statements are recorded with offsetting unavailable revenue or nonspendable fund balance for noncurrent assets because the resources cannot be spent. Long-term loans receivable reported in the proprietary fund statements, as well as long-term loans reported in the government-wide statements, are not offset by unavailable revenue. Unbilled utility revenue earned is recognized as revenue and accounts receivable in the enterprise funds.

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Inventories and Prepaid Items - Inventories in the proprietary funds are stated at cost and consist of expendable materials and supplies.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items, using the consumption method, in both government-wide and fund financial statements.

Restricted Assets - Certain proceeds of debt issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the statements of net position and balance sheets because their use is limited by applicable bond covenants. Unspent developer impact fees are classified as restricted assets on the statements of net position for the Water and Wastewater enterprise funds.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Elements (Continued)

Capital Assets - Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are recorded at the lower of actual historical cost or acquisition value (as of the date donated for contributed assets) although for certain older assets estimated historical costs are used.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Building and improvements	Primarily 15 to 70 years
Transmission and distribution systems	Primarily 15 to 100 years
Machinery, vehicles and equipment	Primarily 5 to 30 years
Software	Primarily 5 to 20 years
Roadway network	Primarily 20 to 70 years
Street light network	Primarily 40 to 50 years
Parks and park improvements	Primarily 15 to 30 years

It is the policy of the City to capitalize all land, buildings and improvements, equipment, and infrastructure assets, except assets costing less than \$20, unless a federal funding source is utilized. All capital assets in excess of \$5 financed by a federal funding source are capitalized. The City also capitalizes all intangible capital assets, primarily easements and software, except assets costing less than \$100, unless a federal funding source is utilized. Costs of capital assets sold or retired (and related amounts of accumulated depreciation/amortization) are eliminated from the accounts in the year of sale or retirement and the resulting gain or loss is included in the operating statement of the related proprietary fund, governmental activities, and business-type activities. In governmental funds, the sale of general capital assets is included in the statement of revenues, expenditures and changes in fund balances as proceeds from sale.

The Crocker Art Museum's collection of works of art, held in trust by the City, has not been reported in these financial statements. The City has elected not to report the collection because it meets the three criteria for waiving capitalization: the collection is held for reasons other than financial gain; the collection is protected, kept unencumbered, cared for, and preserved; and the collection is subject to an organizational policy requiring that the proceeds from sales of collection items be used to acquire other items for the collection.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an expense/expenditure until then. The City has three items, loss on refunding of debt and deferred outflows related to pensions and OPEB, which qualifies for reporting in this category.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position and fund balance that applies to a future period(s) and so will not be recognized as revenue until then. The City has four items recognized in the statement of net position: gain on refunding, deferred service concession arrangement revenue and deferred inflows related to pensions and OPEB. In addition, there is one item recognized in the governmental funds, unavailable revenue, which qualifies for reporting in this category.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Elements (Continued)

Compensated Absences - Benefit qualified employees accrue vacation, sick, and holiday benefits. A full time employee may accumulate up to sixty days of vacation. Sick leave vests and may be accumulated until retirement. An employee with sixty or more days of accumulated sick leave at the end of a calendar year may elect to receive a 25% payment of any unused sick leave earned in the previous calendar year. The amount of sick leave paid is deducted from the employee's total accumulation. Upon retirement, employees with a minimum of 20 years of City service, excluding SCERS employees, have the option of converting their sick leave accumulation into CalPERS service credit hours, or receiving a cash payment of one-third of the accumulated sick leave. The City accrues expected cash payments of accumulated sick leave at fiscal year-end. Employees who leave the City and are not retiring forfeit any remaining sick leave.

Employees receive 14 holidays per calendar year. Employees accrue all or a portion of these 14 days during the year depending on their job classification. Classifications that accrue all 14 days get paid in cash throughout the year whenever their holiday leave balances exceed the 14 days total. All other employees accrue one or two days of "floating" holiday time, depending on the bargaining unit, throughout the year in conjunction with their remaining twelve holidays. Employees who accrue "floating" holiday time get paid annually in January for any calendar year-end balance greater than eight hours.

All hourly employees have the option of being compensated for their overtime pay with compensatory time off (CTO). Depending on the employee's CTO plan, the employee may accrue a maximum of 80, 120 or 160 hours of CTO. The employee's applicable labor agreement or the City Council's resolution for unrepresented employees determines the maximum accruable number of CTO hours.

All compensated absences are accrued when earned in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Unearned Revenue - Unearned revenue in accrual based statements arises when resources are received by the City before it has a legal claim to them (i.e., when grant monies are received prior to the incurrence of qualifying expenditures).

Long-term Obligations - In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Gains and losses on debt refunding are deferred and amortized over the shorter of the remaining life of the old debt or the life of the new debt using the straight-line method. Bonds payable are reported net of bond premium or discount and net of gains and losses on debt refunding. Bond issuance costs are reported as expenditures when incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019

(dollar amounts expressed in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Elements (Continued)

Fund Balance - In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Nonspendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Amounts that are restricted to specific purposes, either by a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation, are classified as restricted fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council through a resolution, which is the highest form of decision authority, are classified as committed fund balances. Amounts that are constrained by the City Council's intent to be used for specific purposes through a resolution, but are neither restricted nor committed, are classified as assigned fund balances. Negative fund balance in governmental funds and residual fund balance in the General Fund, after determining the fund balance classifications described above, is reported as unassigned fund balance. The General Fund is the only fund that reports a positive unassigned fund balance amount.

The City's Economic Uncertainty Reserve (Reserve) is a stabilization arrangement in the General Fund reported as committed fund balance. The City Council reaffirmed its policy goal for the Reserve with an updated policy adopted by resolution number 2019-0248 (Budget resolution for fiscal year 2019/20) to include Measure U resources. The adopted Reserve goal is to achieve a reserve equal to 10% of annual General Fund and Measure U revenues and a target reserve equal to two months of regular ongoing General Fund and Measure U expenditures, including transfers. The City Manager may recommend a release from the Reserve when the gap between projected revenue and expenditures is greater than \$1,000 in the proposed budget. Additions and releases from the Reserve must be approved by City Council by resolution.

Statement of Cash Flows - For purposes of the statement of cash flows, cash equivalents are defined as investments with original maturities of 90 days or less, which are readily convertible to known amounts of cash. The City considers all pooled cash and investments (consisting of cash and investments and restricted cash and investments) held by the City as cash and cash equivalents because the pool is used essentially as a demand deposit account from the standpoint of the funds. The City also considers all non-pooled cash and investments (consisting of cash with fiscal agent and restricted cash and investments held by fiscal agent) as cash and cash equivalents because investments meet the criteria for cash equivalents defined above.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Pensions - For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees Retirement System (CalPERS) and Sacramento Employee's Retirement System (SCERS) Plans and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS and SCERS, respectively. 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.

Other Post-Employment Benefits (OPEB) - For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's California Public Employees Retirement System (CalPERS) Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS

The following is a summary of cash and investments at June 30, 2019:

	Government-wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Total
Cash and investments	\$ 988,845	\$ 518,666	\$ 1,507,511
Restricted cash and investments	403,785	-	403,785
Total	\$ 1,392,630	\$ 518,666	\$ 1,911,296

Under the authority of the Sacramento City Charter, the Sacramento City Council, by Resolution 2019-0258, has delegated its investment authority to the City Treasurer. The City Treasurer manages the City’s investments in accordance with the City’s investment policy, which was last reaffirmed by the City Council on June 25, 2019. The City’s investment policy requires compliance with the California Government Code for investments of public funds. The City’s investment policy also provides limits on rate anticipation, arbitrage, and other swap investments.

SCERS pension trust fund investments are managed by the Administration, Investment and Fiscal Management Board pursuant to an investment policy adopted by the Board and approved by the City Council by Resolution 2019-0257. Investment standards adopted by the SCERS Board were last approved by the City Council on June 25, 2019. The investment policy allows the Board to invest in fixed income and equity securities deemed prudent by the Board. Pursuant to the investment policy, the Board annually allocates the funds to different investment groups. For fiscal year 2019, the asset allocations consisted of the following: 30% Fixed Income securities, 35% Large Cap Growth stocks, 27.5% Equity Income stocks and 7.5% International stocks. The investment policy allows for up to 5% variance from these approved allocation levels to provide flexibility to investment activities without altering the risk profile of the SCERS portfolio.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

The table below identifies the investment types that are authorized for public funds of the City by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer	Minimum Rating
Local agency bonds	5 years*	None	None	None
U.S. Treasury obligations	5 years*	None	None	None
U.S. agency securities	5 years*	None	None	None
Supranational securities	5 years	30%	None	AA
Bankers acceptance	180 days	40%	30%	None
Commerical paper	270 days	25%	10%	A1/P1
Negotiable certificates of deposit	5 years	30%	None	None
Repurchase agreements	1 year	None	None	None
Reverse repurchase and securities lending agreements	92 days	20% of base value	None	None
Medium term notes (bank notes and corporate bonds)	5 years*	30%	None	A
Mutual funds	N/A	20%	10%	Aaa
Money market mutual funds	N/A	20%	10%	Aaa
Collateralized bank deposits	5 years	None	None	None
Mortgage pass-through securities	5 years	20%	None	AA
Time deposits	5 years	None	None	None
Joint Powers Authority pool	N/A	None	None	None
County pooled investment	N/A	None	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None	None

*The City investment policy allows these investments to have maximum maturities of 5 years, plus not more than 30 days. Such approved maturity extensions are authorized by California Government Code section 53601.

The table above does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, or investments held by the SCERS pension trust fund or other trust funds.

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. The City's investment policy limits interest rate risk by requiring compliance with the California Government Code for investments of public funds, as described in detail above. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturing evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity. The remaining maturity of the City's investments included in the table below is based on the stated maturity dates of the individual investments, except in the case of variable rate investments where the maturity date below is the next reset date. Variable rate securities are investments with terms that provide for the adjustment of interest rates on specified dates based on predefined mathematical formulas. The fair value of such investments can reasonably be expected to be affected at each interest rate reset date.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

Interest Rate Risk (Continued)

Investments in equities, or in debt securities with remaining maturities longer than five years, are held by the SCERS pension trust fund, other trust funds, or by bond trustees pursuant to debt agreements.

The City's cash and investments by maturities as of June 30, 2019 are as follows:

Cash and Investment Type	No Maturity	Remaining Maturity in Years			Total
		Under 1	1-5	Over 5	
Certificates of deposit	\$ -	\$ 67,887	\$ 20,011	\$ -	\$ 87,898
Commercial paper	-	309,076	-	-	309,076
Corporate bonds/notes	-	169,500	288,211	18,699	476,410
Deposits	27,888	-	-	-	27,888
Equities	36,978	-	-	-	36,978
Exchange traded funds	166,272	-	-	-	166,272
Investment Trust of California (CalTRUST)	-	247,819	-	-	247,819
Mortgage loans	-	-	1,307	-	1,307
Municipal bonds/notes	-	25,391	90,816	51,260	167,467
Money market mutual funds	-	49,704	-	-	49,704
Supranational securities	-	2,997	21,971	-	24,968
U.S. agency securities	-	38,070	245,008	798	283,876
U.S. Treasury bills	-	19,852	1,778	-	21,630
U.S. Treasury notes	-	-	10,003	-	10,003
Total Cash and Investments	\$ 231,138	\$ 930,296	\$ 679,105	\$ 70,757	\$ 1,911,296

Investments in callable securities are investments that, although having clearly defined maturities, allow for the issuer to redeem or call such securities earlier than their respective maturity dates. The investor must then replace the called securities with investments that may have lower yield than the original securities. The fair values of the callable securities held at June 30, 2019 by investment type are as follows:

Investment Type	Total
Corporate bonds/notes	\$ 82,620
Municipal bonds/notes	24,943
Supranational securities	14,980
U.S. agency securities	196,121
	\$ 318,664

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

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. The City's investment policy limits credit risk by requiring compliance with the California Government Code for the purchase of investments with public funds, as described in detail above. The City's cash and investments by credit ratings as of June 30, 2019 are as follows:

Cash and Investment Type	S & P	Total
Certificates of deposit	A	\$ 10,025
	not rated	77,873
Commercial paper	A	309,076
Corporate bonds/notes	A	233,938
	AA	210,082
	AAA	14,063
	BBB	18,285
	not rated	42
Deposits	not rated	27,888
Equities (exempt from disclosure)	N/A	36,978
Exchange traded funds (exempt from disclosure)	N/A	166,272
Investment Trust of California (CalTRUST)	not rated	247,819
Mortgage loans	not rated	1,307
Municipal bonds/notes	A	22,426
	AA	132,110
	AAA	1,105
	not rated	11,826
Money market mutual funds	AAA	49,704
Supranational securities	AAA	24,968
U.S. agency securities	AA	250,337
	N/A	33
	not rated	33,506
U.S. Treasury bills (exempt from disclosure)	N/A	21,630
U.S. Treasury notes (exempt from disclosure)	N/A	10,003
Total Cash and Investments		\$ 1,911,296

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

Concentration of Credit Risk

The investment policy of the City 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) which represent 5% or more of total investments at June 30, 2019:

Federal Home Loan Banks \$ 98,171

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code has provisions for financial institutions that limit custodial credit risk for deposits. Financial institutions are required to 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. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The City's financial institutions also have insurance through the Federal Depository Insurance Corporation (FDIC). The City's investment policy has no additional provisions for limiting custodial credit risk for deposits.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments; however, it is the practice of the City Treasurer that all investments are insured, registered or held by the Treasurer's custodial agent in the City's name.

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

Fair Value Measurement and Application

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the City's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the City's own data.

The asset's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used, need to maximize the use of observable inputs and minimize the use of unobservable inputs. The determination of what constitutes observable requires judgment by the City's management. City management considers observable data to be that market data, which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market. The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to City management's perceived risk of that investment.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The City's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The money market mutual funds held by the City pool and outside the City pool are at \$1 net asset value (NAV) per share. The total fair value of these at June 30, 2019 was \$21,421 and \$28,283 respectively, with \$0 unfunded commitments. The redemption frequently is daily and redemption notice period of intra-daily. This type of investment primarily invests in short-term U.S. Treasury and government agency securities (including repurchase agreements collateralized by U.S. Treasury and government agency securities).

Deposits and withdrawals in governmental investment pools, such as CALTRUST, are made on the basis of \$1 and not fair value. Accordingly, the City's measured fair value of its proportionate share in these types of investments is based on uncategorized inputs not defined as a Level 1, Level 2, or Level 3 input.

The City's treasury pools asset market prices are derived from closing bid prices as of the end of business day as supplied by ICE Data Services, Inc. Where prices are not available from generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par.

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

Fair Value Measurement and Application (Continued)

The following is a description of the valuation methods and assumptions used by the City to estimate the fair value of its investments:

- When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy.
- For investments classified within Level 2 of the fair value hierarchy, the City's custodians generally use a multi-dimensional relational model. Inputs to their pricing models are based on observable market inputs in active markets. The inputs to the pricing models are typically benchmark yields, reported trades, broker-dealer quotes, issuer spreads and benchmark securities, among others.
- The City held two types of investments that are measured using Level 3 inputs, Commercial Paper and Mortgage Loans. Commercial Paper is reported using the cost approach. There is no observable input and no active market. The Mortgage Loan is reported using the income approach. The value of the Mortgage Loan on the books is materially close to the Discounted Cash Flow, therefore the book value is reported.

There have been no changes in the methods and assumptions used at June 30, 2019. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. City management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

Fair Value Measurement and Application (Continued)

The City has the following recurring fair value measurements as of June 30, 2019:

Investments by Fair Value Level	Balance at June 30, 2019	Fair Value Measurements on a Recurring Basis Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificates of deposit	\$ 72,898	\$ -	\$ 72,898	\$ -
Commercial paper	309,076	-	-	309,076
Corporate bonds/notes	469,305	-	469,305	-
Equities	36,978	36,978	-	-
Exchange traded funds	166,272	166,272	-	-
Mortgage loans	1,307	-	-	1,307
Municipal bonds/notes	167,467	-	167,467	-
Supranational securities	24,968	-	24,968	-
U.S. agency securities	245,159	-	245,159	-
U.S. Treasury notes	10,003	10,003	-	-
Total Investments by Fair Value Level	1,503,433	\$ 213,253	\$ 979,797	\$ 310,383
Investments Not Measured at Fair Value				
Certificates of deposit (Non Negotiable)	15,000			
Total Investments Not Measured at Fair Value	15,000			
Investments Measured at Net Asset Value				
Money market mutual funds	21,421			
Total Investments Measured at Net Asset Value	21,421			
Investments Uncategorized				
Investment Trust of California (CalTRUST)	247,819			
Total Investments Uncategorized	247,819			
Total Investments Held by City	1,787,673			
Investments Held by Fiscal Agent by Fair Value Level				
Corporate bonds/notes	7,105	\$ -	\$ 7,105	\$ -
U.S. agency securities	38,717	-	38,717	-
U.S. Treasury bills	21,630	21,630	-	-
Total Investments Held by Fiscal Agent by Fair Value Level	67,452	\$ 21,630	\$ 45,822	-
Investments Held by Fiscal Agent Measured at Net Asset Value				
Money market mutual funds	28,283			
Total Investments Held by Fiscal Agent Measured at Net Asset Value	28,283			
Total Investments Held by Fiscal Agent	95,735			
Total Investments	1,883,408			
Total Deposits	27,888			
Total Cash and Investments	\$ 1,911,296			

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

City Sponsored Investment Pool

As part of the City's total cash and investments portfolio, the City Treasurer manages an investment pool, which includes both internal and external investors. The pool is not registered with the Securities and Exchange Commission as an investment company. The City Treasurer is granted authority for managing the pool by City Charter Section 73 and City Council ordinances and resolutions. Monthly, the City Treasurer reports investment activity to the Council for review.

The fair value of investments is determined monthly. Participants' shares sold and redeemed are determined by the daily cash balance deposited in the pool (the value of its pool shares). The value of the pool shares is based upon amortized cost in day to day operations but is adjusted to the fair value at year-end. The investments are reported at fair value. The value of the shares is supported by the value of the underlying investments. External participants, including various joint powers agencies, comprise 5.17% of pool participation. The City Sponsored Investment Pool excludes activities of the pension trust fund, SHRA and funds held by fiscal agents.

The City Treasurer also manages external individual investment accounts for SHRA and the Sacramento Public Library Authority Hurst Trust. The following represents a condensed statement of net position and changes in net position for the City Sponsored Investment Pool and external individual investment accounts as of June 30, 2019:

	City Sponsored Investment Pool	External Individual Investment Accounts	Total
Statement of Net Position:			
Cash and investments at fair value	\$ 1,439,893	\$ 92,236	\$ 1,532,129
Interest receivables	4,864	314	5,178
Net Position	<u>\$ 1,444,757</u>	<u>\$ 92,550</u>	<u>\$ 1,537,307</u>
Equity of internal pool participants	\$ 1,370,000	\$ -	\$ 1,370,000
Equity of external pool participants	74,757	92,550	167,307
Total equity	<u>\$ 1,444,757</u>	<u>\$ 92,550</u>	<u>\$ 1,537,307</u>
Statement of Changes in Net Position:			
Net position at July 1, 2018	\$ 1,083,254	\$ 86,479	\$ 1,169,733
Net change in investments by pool participants	361,503	6,071	367,574
Net position at June 30, 2019	<u>\$ 1,444,757</u>	<u>\$ 92,550</u>	<u>\$ 1,537,307</u>

A summary of cash and investments as of June 30, 2019 is as follows:

	Fair Value	Adjusted Cost	Interest Rates	Maturity Dates
Certificates of deposit	\$ 87,898	\$ 87,868	2.00-3.12%	08/19-04/22
Commercial paper	309,076	308,928	2.40-2.91%	07/19-01/20
Corporate bonds/notes	439,098	437,865	0.87-4.00%	07/19-05/24
Deposits	26,671	26,671	2.43%	N/A
Equities	6,138	6,135	1.10-2.60%	08/19-02/23
Investment Trust of California (CalTRUST)	247,819	247,819	2.27-2.82%	N/A
Municipal bonds/notes	114,691	113,964	1.25-6.09%	07/19-08/23
Money market mutual funds	21,421	21,421	1.99%	N/A
Supranational securities	24,968	24,935	1.62-2.12%	11/20-01/23
U.S. agency securities	244,346	244,288	1.20-3.25%	07/19-06/24
U.S. Treasury notes	10,003	9,966	1.75%	11/21
Total cash and investments in City sponsored investment pool and external individual investment accounts	<u>\$ 1,532,129</u>	<u>\$ 1,529,860</u>		

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

Participation in External Investment Pools

The City is a voluntary participant in the Investment Trust of California (CalTRUST), which is a Joint Powers Authority governed by a Board of Trustees made up of local treasurers and investment officers. The Board of Trustees sets overall policy for CalTRUST and selects and supervises the activities of the Investment Manager and other agents. As of June 30, 2019, the City's investment in CalTRUST is \$247,819, of which \$93,821 was invested in the Liquidity funds pool, \$92,088 in the Short-term pool, \$21,623 in the Medium-term pool, and \$40,287 in the BlackRock federal funds pool. Amounts that may be withdrawn from the Money Market Fund are based upon the fund's assets valued using the amortized cost method. Amounts that may be withdrawn from the Short-term and Medium-term pools are based on the net asset value per share and the number of shares held by participants in each pool.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 3 – RECEIVABLES

Receivables as of June 30, 2019, were as follows:

	Taxes	Accounts	Loans	Inter- govern- mental	Interest	Total
Governmental activities						
General Fund	\$ 27,980	\$ 22,495	\$ -	\$ 5,576	\$ 873	\$ 56,924
Measure U Fund	18,383	-	-	-	-	18,383
2015 Golden 1 Center Lease Revenue Bond Fund	-	1,625	140,017	-	42	141,684
Other governmental funds	5,733	8,175	4,461	29,043	659	48,071
Internal service funds	-	176	-	-	411	587
	<u>\$ 52,096</u>	<u>\$ 32,471</u>	<u>\$ 144,478</u>	<u>\$ 34,619</u>	<u>\$ 1,985</u>	<u>\$ 265,649</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 138,139</u>	<u>\$ 12,691</u>	<u>\$ -</u>	<u>\$ 150,830</u>
Business-type activities						
Water Fund	\$ -	\$ 19,779	\$ 792	\$ 2,056	\$ 634	\$ 23,261
Wastewater Fund	-	12,379	281	374	338	13,372
Storm Drainage Fund	-	6,104	1,948	1,371	198	9,621
Solid Waste Fund	-	9,049	-	-	201	9,250
Community Center Fund	3,645	327	-	-	1,306	5,278
Other enterprise funds	-	748	-	-	1	749
	<u>\$ 3,645</u>	<u>\$ 48,386</u>	<u>\$ 3,021</u>	<u>\$ 3,801</u>	<u>\$ 2,678</u>	<u>\$ 61,531</u>

Included in the Accounts Receivable amounts above are allowances for doubtful accounts of \$49,871 in governmental activities and \$870 in business-type activities.

Included in the Loans Receivable amount related to other governmental funds above is the present value of the installment payments under the golf service concession arrangement of \$2,659, reported with the associated deferred inflow in the government-wide statement of net position.

The Golden 1 Center was sold to the Sacramento Kings under the terms of the Arena Management, Operations and Lease Agreement during the fiscal year ended June 30, 2017. The agreed-upon minimum lease payments to be received from the Kings is \$407,699 over 36 years. The initial present value of these minimum lease payments discounted at 5.674% was \$143,412 and the current loan receivable balance as of June 30, 2019 is \$140,017. Payments from the Sacramento Kings will be used to reduce interest expense related to the Golden 1 Center 2015 lease revenue bonds.

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 4 – CAPITAL ASSETS

Summary

The following is a summary of capital assets as of June 30, 2019:

	Governmental Activities	Business- Type Activities	Total
Capital assets not being depreciated/amortized			
Land	\$ 209,858	\$ 51,527	\$ 261,385
Easements	928	291	1,219
Construction in progress	128,631	364,565	493,196
Total capital assets not being depreciated/amortized	<u>339,417</u>	<u>416,383</u>	<u>755,800</u>
Depreciable/amortizable capital assets			
Buildings and improvements	693,692	293,582	987,274
Equipment	79,483	73,638	153,121
Software	6,413	13,398	19,811
Vehicles	171,681	-	171,681
Transmission and distribution system	4,777	1,403,952	1,408,729
Roadway network	1,680,328	-	1,680,328
Streetlight network	246,561	-	246,561
Park improvements	217,393	-	217,393
Total depreciable/amortizable capital assets	<u>3,100,328</u>	<u>1,784,570</u>	<u>4,884,898</u>
Less accumulated depreciation/amortization for:			
Buildings and improvements	(262,664)	(160,759)	(423,423)
Equipment	(60,178)	(47,597)	(107,775)
Software	(3,359)	(1,821)	(5,180)
Vehicles	(95,324)	-	(95,324)
Transmission and distribution system	(1,008)	(515,115)	(516,123)
Roadway network	(1,082,568)	-	(1,082,568)
Streetlight network	(95,387)	-	(95,387)
Park improvements	(72,100)	-	(72,100)
Total accumulated depreciation/amortization	<u>(1,672,588)</u>	<u>(725,292)</u>	<u>(2,397,880)</u>
Depreciable/amortizable capital assets, net	<u>1,427,740</u>	<u>1,059,278</u>	<u>2,487,018</u>
Total capital assets, net	<u>\$ 1,767,157</u>	<u>\$ 1,475,661</u>	<u>\$ 3,242,818</u>

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 4 – CAPITAL ASSETS (Continued)

Governmental Activities

Governmental capital asset activity for the year ended June 30, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Transfers In/Out	Ending Balance
Capital assets not being depreciated/amortized					
Land	\$ 205,856	\$ 4,002	\$ -	\$ -	\$ 209,858
Easements	928	-	-	-	928
Construction in progress	137,326	28,564	(37,259)	-	128,631
Total capital assets not being depreciated/amortized	344,110	32,566	(37,259)	-	339,417
Depreciable/amortizable capital assets					
Buildings and improvements	679,506	14,186	-	-	693,692
Equipment	79,370	113	-	-	79,483
Software	6,413	-	-	-	6,413
Vehicles	156,537	27,095	(11,951)	-	171,681
Transmission and distribution system	4,777	996	-	(996)	4,777
Roadway network	1,672,385	12,182	(4,239)	-	1,680,328
Streetlight network	243,880	2,681	-	-	246,561
Park improvements	207,021	10,372	-	-	217,393
Total depreciable/amortizable capital assets	3,049,889	67,625	(16,190)	(996)	3,100,328
Less accumulated depreciation/amortization for:					
Buildings and improvements	(249,225)	(13,439)	-	-	(262,664)
Equipment	(57,055)	(3,123)	-	-	(60,178)
Software	(2,725)	(634)	-	-	(3,359)
Vehicles	(94,318)	(11,828)	10,822	-	(95,324)
Transmission and distribution system	(921)	(87)	-	-	(1,008)
Roadway network	(1,045,829)	(40,978)	4,239	-	(1,082,568)
Streetlight network	(89,497)	(5,890)	-	-	(95,387)
Park improvements	(64,358)	(7,742)	-	-	(72,100)
Total accumulated depreciation/amortization	(1,603,928)	(83,721)	15,061	-	(1,672,588)
Depreciable/amortizable capital assets, net	1,445,961	(16,096)	(1,129)	(996)	1,427,740
Governmental activities capital assets, net	\$ 1,790,071	\$ 16,470	\$ (38,388)	\$ (996)	\$ 1,767,157

Depreciation/amortization expense was charged to functions as follows:

General government	\$ 5,569
Police	874
Fire	1,102
Public works	48,771
Convention and cultural services	4,210
Parks and recreation	10,070
Community development	247
Library	955
Capital assets held by the City's internal service funds are charged to the functions based on their usage of assets	11,923
Total governmental activities depreciation/amortization expense	\$ 83,721

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 4 – CAPITAL ASSETS (Continued)

Business-type Activities

Business-type capital asset activity for the fiscal year ended June 30, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Transfers In/Out	Ending Balance
Capital assets not being depreciated/amortized					
Land	\$ 50,314	\$ 1,213	\$ -	\$ -	\$ 51,527
Easements	291	-	-	-	291
Construction in progress	<u>307,263</u>	<u>148,773</u>	<u>(91,471)</u>	<u>-</u>	<u>364,565</u>
Total capital assets not being depreciated/amortized	<u>357,868</u>	<u>149,986</u>	<u>(91,471)</u>	<u>-</u>	<u>416,383</u>
Depreciable/amortizable capital assets					
Buildings and improvements	287,746	5,836	-	-	293,582
Equipment	71,944	1,694	-	-	73,638
Software	2,826	10,572	-	-	13,398
Transmission and distribution system	<u>1,316,488</u>	<u>86,468</u>	<u>-</u>	<u>996</u>	<u>1,403,952</u>
Total depreciable/amortizable capital assets	<u>1,679,004</u>	<u>104,570</u>	<u>-</u>	<u>996</u>	<u>1,784,570</u>
Less accumulated depreciation/amortization for:					
Buildings and improvements	(154,634)	(6,125)	-	-	(160,759)
Equipment	(44,759)	(2,838)	-	-	(47,597)
Software	(1,140)	(681)	-	-	(1,821)
Transmission and distribution system	<u>(483,068)</u>	<u>(32,047)</u>	<u>-</u>	<u>-</u>	<u>(515,115)</u>
Total accumulated depreciation/amortization	<u>(683,601)</u>	<u>(41,691)</u>	<u>-</u>	<u>-</u>	<u>(725,292)</u>
Depreciable/amortizable capital assets, net	<u>995,403</u>	<u>62,879</u>	<u>-</u>	<u>996</u>	<u>1,059,278</u>
Business-type activities capital assets, net	<u>\$ 1,353,271</u>	<u>\$ 212,865</u>	<u>\$ (91,471)</u>	<u>\$ 996</u>	<u>\$ 1,475,661</u>
Depreciation/amortization expense was charged to functions as follows:					
Water		\$ 21,669			
Wastewater		4,117			
Storm drainage		10,852			
Solid waste		1,445			
Community center		1,936			
Parking		1,595			
Child development		<u>77</u> ⁽¹⁾			
Total business-type activities depreciation/amortization expense		<u>\$ 41,691</u>			

(1) Varies \$8 from amount reported in Other Enterprise Funds Financials as it is related to the amortization of "prepaid rent" for Regency Park Building.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 5 – PAYABLES

Payables as of June 30, 2019, were as follows:

	<u>Vendors</u>	<u>Employees</u>	<u>Interest</u>	<u>Deposits</u>	<u>Total</u>
Governmental activities					
General Fund	\$ 18,175	\$ 25,325	\$ -	\$ 60	\$ 43,560
Measure U Fund	1,737	-	-	-	1,737
2015 Golden 1 Center Lease					
Revenue Bond Fund	-	-	3,671	-	3,671
Other governmental funds	16,056	109	3,852	4,694	24,711
Internal service funds	3,082	618	3	-	3,703
Total governmental activities	<u>\$ 39,050</u>	<u>\$ 26,052</u>	<u>\$ 7,526</u>	<u>\$ 4,754</u>	<u>\$ 77,382</u>
Business-type activities					
Water Fund	\$ 15,681	\$ 1,842	\$ 4,649	\$ 10	\$ 22,182
Wastewater Fund	14,329	397	792	-	15,518
Storm Drainage Fund	1,494	691	97	15	2,297
Solid Waste Fund	2,154	724	53	-	2,931
Community Center Fund	10,489	263	1,293	-	12,045
Other enterprise funds	1,732	491	93	515	2,831
Total business-type activities	<u>\$ 45,879</u>	<u>\$ 4,408</u>	<u>\$ 6,977</u>	<u>\$ 540</u>	<u>\$ 57,804</u>

Included in the Interest Payable amount related to 2015 Golden 1 Center Lease Revenue Bond Fund above is the interest payable accrual of \$3,671, reported in the government-wide statement of net position.

Included in the Interest Payable amount related to other governmental funds above is the interest payable accrual for other debt service funds of \$1,539, reported in the government-wide statement of net position.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 6 – OPERATING LEASES

City as Lessee

The City is obligated under various operating leases for the use of land, buildings, office space, and equipment. Lease expenditures, primarily for governmental funds, for the fiscal year ended June 30, 2019, were \$1,036.

Sublease rental income for the fiscal year ended June 30, 2019 was \$751. The total amount of minimum rentals to be received in the future under non-cancelable subleases is \$7,644.

Future minimum lease payments required by non-cancellable lease agreements that have initial lease terms in excess of one year are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Payments</u>
2020	\$ 925
2021	819
2022	779
2023	715
2024	651
2025-2029	3,343
2030-2034	3,497
2035-2039	3,012
2040-2044	2,777
2045-2049	2,794
2050-2054	<u>2,949</u>
Total future minimum lease payments	<u>\$ 22,261</u>

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES

Activity

The following is a summary of changes in long-term liabilities at June 30, 2019. Certain long-term liabilities provide financing to both governmental and business-type activities.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
GOVERNMENTAL ACTIVITIES:					
Revenue and Other Bonds, Direct Placements:					
1997 Lease Revenue Bonds	\$ 32,733	\$ -	\$ (32,733)	\$ -	\$ -
2016 Lease Financing	7,945	-	(450)	7,495	465
Subtotal, revenue and other bonds, direct placements	40,678	-	(33,183)	7,495	465
Revenue and Other Bonds, Public Offerings:					
1993 Refunded Revenue Bonds, Series A	4,929	-	(1,558)	3,371	1,641
1993 Refunded Revenue Bonds, Series B	8,266	-	(2,612)	5,654	2,753
2006 Capital Improvement Revenue Bonds, Series B	44,610	-	(1,334)	43,276	1,409
2006 Capital Improvement Revenue Bonds, Series E	80,803	-	(460)	80,343	520
2015 Refunding Revenue Bonds	97,086	-	(7,901)	89,185	7,310
2015 Lease Revenue Bonds - Golden 1 Center	269,445	-	(3,510)	265,935	3,615
Subtotal, revenue and other bonds, public offerings	505,139	-	(17,375)	487,764	17,248
Direct Borrowing Notes Payable:					
1997 State Department of Boating & Waterways	98	-	(98)	-	-
1985 Marina Phase I	1,397	-	(52)	1,345	54
1985 Marina Phase II	2,176	-	(70)	2,106	72
1985 Marina Phase III	143	-	(143)	-	-
1985 Marina Phase IV	168	-	(82)	86	86
2008 Sacramento Marina South Basin	10,477	-	-	10,477	1,444
Subtotal, direct borrowing notes payable	14,459	-	(445)	14,014	1,656
Direct Borrowing Capital Lease Obligations:					
Fire trucks and equipment #3	1,076	-	(526)	550	550
Liquid nitrate gas (LNG) - Refueling Trailer	44	-	(29)	15	15
Parking meters system with AutoVu	617	-	(617)	-	-
Bank of America - Marina South Basin	562	-	(116)	446	121
Subtotal, direct borrowing capital lease obligations	2,299	-	(1,288)	1,011	686
Plus deferred amounts:					
For issuance discounts	(4)	-	2	(2)	(2)
For issuance premiums	19,116	-	(1,187)	17,929	1,152
Subtotal deferred amounts	19,112	-	(1,185)	17,927	1,150
Subtotal, debt governmental activities	581,687	-	(53,476)	528,211	21,205
Other Long-term Liabilities:					
Accrued claims and judgements	81,870	20,593	(13,516)	88,947	23,233
Compensated absences	38,695	40,059	(38,923)	39,831	2,711
Net OPEB liability	329,392	-	(22,547)	306,845	-
Net pension liability	859,218	63,114	(75,444)	846,888	-
Pollution remediation obligations	630	1,133	(1,071)	692	144
Financing plan fee credits:					
North Natomas	33,740	1,284	(4,061)	30,963	2,081
Jacinto Creek	1,006	36	-	1,042	-
Park Development	320	5	(99)	226	226
Subtotal, other long-term liabilities	1,344,871	126,224	(155,661)	1,315,434	28,395
Total governmental activities	\$ 1,926,558	\$ 126,224	\$ (209,137)	\$ 1,843,645	\$ 49,600

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Activity (Continued)

BUSINESS-TYPE ACTIVITIES:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue and Other Bonds, Public Offerings:					
1993 Refunded Revenue Bonds, Series A	\$ 20,357	\$ -	\$ (6,434)	\$ 13,923	\$ 6,779
1993 Refunded Revenue Bonds, Series B	9,029	-	(2,854)	6,175	3,007
2006 Capital Improvement Revenue Bonds, Ser. E	92,277	-	-	92,277	-
Water Revenue Bonds, Series 2013	200,270	-	(4,150)	196,120	4,360
Water Revenue Bonds, Series 2017	52,610	-	(785)	51,825	825
Wastewater Revenue Bonds, Series 2013	29,110	-	(630)	28,480	660
Wastewater Revenue Bonds, Series 2019	-	25,960	-	25,960	-
2015 Refunding Revenue Bonds	53,285	-	(7,661)	45,624	8,025
2018 TOT Revenue Bonds, Senior Series A	-	195,815	-	195,815	-
2018 TOT Revenue Bonds, Senior Series B	-	20,610	-	20,610	-
2018 TOT Revenue Bonds, Subordinate Series C	-	66,890	-	66,890	-
Subtotal, revenue and other bonds, public offerings	456,938	309,275	(22,514)	743,699	23,656
Direct Borrowing Notes Payable:					
State Water Resources Control Board C06-4441-120	6,801	-	(2,218)	4,583	2,267
State Water Resources Control Board C06-4652-110	658	-	(324)	334	333
State Water Resources Control Board C06-4653-110	1,132	-	(368)	764	377
State Water Resources Control Board C06-4685-110	470	-	(153)	317	157
California Department of Public Health	7,725	-	(448)	7,277	459
California Infrastructure and Economic Development Bank (I-Bank)	2,290	-	(84)	2,206	86
Drinking Water State Revolving Fund	3,843	13,861	-	17,704	-
Subtotal, direct borrowing notes payable	22,919	13,861	(3,595)	33,185	3,679
Direct Borrowing Capital Lease Obligations:					
Parking Equipment - Schedule 19	2,036	-	(805)	1,231	817
Parking Equipment - Schedule 20	1,649	-	(540)	1,109	550
Subtotal, direct borrowing capital lease obligations	3,685	-	(1,345)	2,340	1,367
Less deferred amounts:					
For issuance discounts	(130)	-	61	(69)	(60)
For issuance premiums	53,208	38,600	(3,891)	87,917	4,482
Subtotal, deferred amounts	53,078	38,600	(3,830)	87,848	4,422
Subtotal, debt, business type activities	536,620	361,736	(31,284)	867,072	33,124
Other Long-term Liabilities:					
Compensated absences	7,219	8,034	(7,736)	7,517	540
Net OPEB liability	60,120	-	(4,119)	56,001	-
Net pension liability	120,253	9,660	(11,437)	118,476	-
Accrued claims and judgements	747	-	(40)	707	707
Water fee credits	214	-	-	214	-
Liability for landfill closure	2,371	-	(157)	2,214	158
Subtotal, other long-term liabilities	190,924	17,694	(23,489)	185,129	1,405
Total business-type activities	\$ 727,544	\$ 379,430	\$ (54,773)	\$ 1,052,201	\$ 34,529
Total long-term liabilities	\$ 2,654,102	\$ 505,654	\$ (263,910)	\$ 2,895,846	\$ 84,129

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

The following is a list of long-term debt issues outstanding at June 30, 2019, including the amount of original debt issuance, a description of the debt issue, and disclosure of pledged revenue.

Revenue and Other Bonds

Issued Amount

- | | |
|-----------|---|
| \$130,425 | 1993 Refunded Revenue Bonds, Series A
Authorized and issued September 1993, due in annual installments of \$2,186 to \$8,875 through November 2020, bearing interest rates of 4.5% to 5.13%, for the purpose of refunding the 1986 Public Facilities Certificates of Participation and a portion of the 1991 Marks-Roos Revenue Bonds. Secured by collateral of leased real property situated in the City of Sacramento. |
| \$95,480 | 1993 Refunded Revenue Bonds, Series B
Authorized and issued September 1993, due in annual installments of \$1,634 to \$6,070 through November 2020, bearing interest rates of 4.5% to 5.13%, for the purpose of refunding the 1989 Public Facilities Certificates of Participation. Secured by collateral of real property situated in the City of Sacramento. |
| \$55,235 | 2006 Capital Improvement Revenue Bonds, Series B (Taxable)
Authorized and issued June 15, 2006, due in annual installments of \$720 to \$3,760 through December 1, 2036, bearing interest rates of 5.4% to 5.8%. Net proceeds of \$50,692 are being utilized for the purpose of financing certain public capital improvements and redevelopment projects including an arts rehearsal building, Pocket Area Library and other capital projects within the City of Sacramento. Secured by collateral of real property situated in the City of Sacramento. The indenture contains a provision that in the event of a default and upon written request of the bond holders, the outstanding principal and any accrued interest may be due and payable immediately. |
| \$186,950 | 2006 Capital Improvement Revenue Bonds, Series E (Refunding)
Authorized and issued December 12, 2006, due in annual installments of \$402 to \$8,570 through December 1, 2033, bearing interest rates of 4% to 5.25%. Net proceeds of \$216,661 plus cash of \$13,441 have been utilized for the purpose of establishing an irrevocable escrow to defease \$218,000 principal amount of the outstanding 2001 Capital Improvement Revenue Bonds and a portion of the outstanding 2002 and 2003 Capital Improvement Revenue Bonds, and the associated liabilities have been removed from the governmental and business-type activities columns of the statement of net position. Secured by collateral of real property situated in the City of Sacramento. The indenture contains a provision that in the event of a default and upon written request of the bond holders, the outstanding principal and any accrued interest may be due and payable immediately. |
| \$215,195 | 2013 Water Revenue Bonds
Authorized and issued March 2013, due in annual installments of \$9,731 to \$14,018 through fiscal year 2043, bearing interest rates of 1% to 5%, for the purpose of financing the costs of improvements to the City's municipal water system. The debt service on the bonds is secured by the pledge of, and payable solely from, the Trust Estate, which consist primarily of all system net revenues and trustee accounts held under the indenture. Total principal and interest remaining to be paid on the bonds is \$336,377 as of June 30, 2019. Current year principal and interest paid was \$14,015 and water fee revenue was \$130,421. |

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Revenue and Other Bonds (Continued)

Issued Amount

- \$30,855 2013 Wastewater Revenue Bonds
Authorized and issued June 2013, due in annual installments of \$951 to \$1,958 through fiscal year 2043, bearing interest rates of 3% to 5%, for the purpose of financing the costs of improvements to the City’s wastewater system. The debt service on the bonds is secured by a pledge of, and payable solely from, the Trust Estate, which consists primarily of all system net revenues and trustee accounts held under the indenture. Total principal and interest remaining to be paid on the bonds is \$46,928 as of June 30, 2019. Current year principal and interest paid was \$1,957 and wastewater fee revenue was \$42,275.
- \$183,380 2015 Refunding Revenue Bonds
Authorized and issued October 1, 2015, due in annual installments of \$5,120 to \$24,773 through December 1, 2037, bearing interest rates of 3% to 5%. Net proceeds of \$205,778 plus cash of \$28,165, together with certain proceeds of the Tax Allocation Bonds, were utilized to establish an irrevocable escrow to defease \$257,630 principal amount of outstanding 2002 Capital Improvement Revenue Bonds, 2003 Capital Improvement Revenue Bonds, 2005 Refunding Revenue Bonds, 2006 Capital Improvement Revenue Bonds, Series A, 2006 Capital Improvement Revenue Bonds, Series C, and pay cost of issuance. The refunded liabilities have been removed from the associated fund and government-wide financial statements. The net carrying value of the old debt exceeded the reacquisition price by \$1,983. The 2015 Refunding reduced total debt service payments by \$37,788 and resulted in an economic gain of \$21,552. Secured by collateral of real property situated in the City of Sacramento. The indenture contains a provision that in the event of a default and upon written request of the bond holders, the outstanding principal and any accrued interest may be due and payable immediately.
- \$272,870 2015 Lease Revenue Bonds – Golden 1 Center
The bonds were originally issued on August 13, 2015, in the aggregate principal amount of \$299,995, to pay for a portion of the acquisition and construction of the multi-purpose entertainment and sports center (the Golden 1 Center) in downtown Sacramento. On the fixed rate conversion date, October 6, 2015, \$27,125 principal amount of the bonds were cancelled. The bonds are due in annual installments of \$7,229 to \$18,379 through fiscal year 2050, bearing interest of 2.5% to 5.6%. Secured by collateral of the Golden 1 Center and other improvements made to the associated parcel of land.
- \$9,115 2016 Lease Financing – H Street Theater Complex (Direct Placement)
The City delivered its 2016 Lease Financing on January 26, 2016, due in annual installments of \$668 to \$1,010 through fiscal year 2033, bearing interest at 2.8%. Bond proceeds of \$9,115, together with cash of \$3,471 were utilized to establish a prepayment fund to refund \$12,010 aggregate principal, plus interest, and pay the cost of issuance of the outstanding Sacramento Regional Arts Facilities 2002 Certificates of Participation. Secured by lease rental payments from the California Musical Theatre.
- \$52,610 2017 Water Revenue Bonds
Authorized and issued June 2017, due in annual installments of \$1,805 to 3,379 through fiscal year 2048, bearing interest rate of 4% to 5%, for the purpose of financing the costs of improvements to the City’s municipal water system. The debt service on the bonds is secured by the pledge of, and payable solely from, the Trust Estate, which consist primarily of all system net revenues and trustee accounts held under the indenture. Total principal and interest remaining to be paid on the bonds is \$97,930 as of June 30, 2019. Current year principal and interest paid was \$3,376 and water fee revenue was \$130,421.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Revenue and Other Bonds (Continued)

Issued Amount

- | | |
|-----------|---|
| \$195,815 | 2018 Transient Occupancy Tax (TOT) Revenue Bonds, Senior Series A
Authorized September 2018, issued November 2018, due in annual installments of \$5,711 to \$14,482 through fiscal year 2048, bearing an interest rate of 5%, for the purpose of financing the costs of renovating the City's Convention Center, Community Center Theater, and Memorial Auditorium, as well as other projects eligible for TOT funding. The debt service on the bonds is secured by the pledge of, and payable solely from, TOT revenues and trustee accounts held under the indenture. Total principal and interest remaining to be paid on the bonds is \$392,281 as of June 30, 2019. Current year interest paid was \$5,711 and TOT revenue was \$29,477. Principal payments begin June 2025. |
| \$20,610 | 2018 Transient Occupancy Tax (TOT) Revenue Bonds, Senior Series B (Taxable)
Authorized September 2018, issued November 2018, due in annual installments of \$441 to \$4,690 through fiscal year 2025, bearing interest rates of 3.5% to 3.9%, for the purpose of financing the costs of renovating the City's Convention Center, Community Center Theater, and Memorial Auditorium, as well as other projects eligible for TOT funding. The debt service on the bonds is secured by the pledge of, and payable solely from, TOT revenues and trustee accounts held under the indenture. Total principal and interest remaining to be paid on the bonds is \$23,690 as of June 30, 2019. Current year interest paid was \$441 and TOT revenue was \$29,477. Principal payments begin June 2021. |
| \$66,890 | 2018 Transient Occupancy Tax (TOT) Revenue Bonds, Subordinate Series C
Authorized September 2018, issued November 2018, due in annual installments of \$1,951 to \$4,495 through fiscal year 2048, bearing an interest rate of 5%, for the purpose of financing the costs of renovating the City's Convention Center, Community Center Theater, and Memorial Auditorium, as well as other projects eligible for TOT funding. The debt service on the bonds is secured by the pledge of, and payable solely from, TOT revenues and trustee accounts held under the indenture. Total principal and interest remaining to be paid on the bonds is \$129,055 as of June 30, 2019. Current year interest paid was \$1,951 and TOT revenue was \$29,477. Principal payments begin June 2021. |
| \$25,960 | 2019 Wastewater Revenue Bonds
Authorized March 2019, issued April 2019, due in annual installments of \$1,157 to \$2,119 through fiscal year 2040, bearing an interest rate of 5%, for the purpose of financing the costs of improvements to the City's wastewater system. The debt service on the bonds is secured by a pledge of, and payable solely from, the Trust Estate, which consists primarily of all system net revenues and trustee accounts held under the indenture. Total principal and interest remaining to be paid on the bonds is \$42,667 as of June 30, 2019. No principal or interest payments were made in the current year. Interest payments begin September 2019 and principal payments begin September 2021. Current year wastewater fee revenue was \$42,275. |

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Notes Payable

Issued Amount

- \$2,220 1985 Sacramento Marina Note Payable, Phase I
Authorized July 1985, issued November 1985, refinanced August 1998, to the California Department of Boating and Waterways, due in annual installments of \$20 to \$82 through August 2030, bearing an interest rate of 4.5%, for the purpose of financing the expansion of the Sacramento Marina. Secured by collateral of the Sacramento Marina.
- \$3,229 1985 Sacramento Marina Note Payable, Phase II
Authorized July 1985, issued September 1987, refinanced August 1998, to the California Department of Boating and Waterways, due in annual installments of \$27 to \$150 through August 2037, bearing an interest rate of 4.5%, for the purpose of financing the expansion of the Sacramento Marina. Secured by collateral of the Sacramento Marina.
- \$1,117 1985 Sacramento Marina Note Payable, Phase IV
Authorized July 1985, issued February 1989, refinanced August 1998, to the California Department of Boating and Waterways, due in annual installments of \$29 to \$73 through August 2019, bearing an interest rate of 4.5%, for the purpose of financing the expansion of the Sacramento Marina. Secured by collateral of the Sacramento Marina.
- \$10,477 2008 Sacramento Marina Note Payable, South Basin
Authorized February 2005, the City had made loan draws of \$9,000 plus accrued interest of \$1,477 through June 30, 2013, from the California Department of Boating and Waterways (DB&W), for the purpose of constructing the South Basin Improvements at the Sacramento Marina. Principal and interest is due in 30 annual installments of \$204 to \$662, through August 2041, bearing an interest rate of 4.603%. The City has made no principal payments and only a portion of interest payments on this loan since 2013 and is working with DB&W on a loan restructure. As of June 30, 2019, the DB&W and the City have not executed a formal agreement to restructure this loan. Secured by collateral of the Sacramento Marina.
- \$37,016 State Water Resources Control Board Note Payable – Contract 06-4441-120
Authorized March 1999, issued beginning July 1999, due in annual installments of \$2,373 through November 2020, bearing an interest rate of 2.2%, for the purpose of financing various wastewater projects. The City pledged future wastewater and storm drainage fee revenue to repay the note. The note is payable solely from the wastewater and storm drainage fee revenue through November 2020. Total principal and interest remaining to be paid on the note is \$4,734. Current year principal and interest paid was \$2,367 and wastewater and storm drainage fee revenue was \$82,244. The contract contains a provision that upon termination due to the City's violation of any material contract provision, the outstanding balance, accrued interest, and penalty assessments would be due immediately.
- \$5,177 State Water Resources Control Board Note Payable – Contract 06-4652-110
Authorized March 2001, issued July 2001, due in annual installments of \$342 through September 2019, bearing an interest rate of 2.6%, for the purpose of financing the construction of underground storage and pumping facilities. The City pledged future wastewater and storm drainage fee revenue to repay the note. The note is payable solely from the wastewater and storm drainage fee revenue through September 2019. Total principal and interest remaining to be paid on the note is \$342. Current year principal and interest paid was \$342 and wastewater and storm drainage fee revenue was \$82,244. The contract contains a provision that upon termination due to the City's violation of any material contract provision, the outstanding balance, accrued interest, and penalty assessments would be due immediately.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Notes Payable (Continued)

Issued Amount

- \$5,672 State Water Resources Control Board Note Payable – Contract 06-4653-110
Authorized February 2002, issued February 2002, due in annual installments of \$397 through February 2021, bearing an interest rate of 2.6%, for the purpose of financing the replacement of sewer lines. The City pledged future wastewater and storm drainage fee revenue to repay the note. The note is payable solely from the wastewater and storm drainage fee revenue through February 2021. Total principal and interest remaining to be paid on the note is \$794. Current year principal and interest paid was \$397 and wastewater and storm drainage fee revenue was \$82,244. The contract contains a provision that upon termination due to the City's violation of any material contract provision, the outstanding balance, accrued interest, and penalty assessments would be due immediately.
- \$2,603 State Water Resources Control Board Note Payable – Contract 06-4685-110
Authorized June 2001, issued May 2002, due in annual installments of \$165 through May 2021, bearing an interest rate of 2.6%, for the purpose of financing the replacement of sewer lines. The City pledged future wastewater and storm drainage fee revenue to repay the note. The note is payable solely from the wastewater and storm drainage fee revenue through May 2021. Total principal and interest remaining to be paid on the note is \$330. Current year principal and interest paid was \$165 and wastewater and storm drainage fee revenue was \$82,244. The contract contains a provision that upon termination due to the City's violation of any material contract provision, the outstanding balance, accrued interest, and penalty assessments would be due immediately.
- \$10,000 California Department of Public Health
Authorized September 2009 for the installation of approximately 13,000 water meters. The note, with a 2.5% interest rate, will be repaid over 20 years, through 2033, with annual principal and interest payments of approximately \$639. The City pledged future water enterprise fund revenue to repay the note. Total principal and interest remaining to be paid on the note is \$8,623. Current year principal and interest paid was \$639 and water fee revenue was \$130,421.
- \$2,975 California Infrastructure and Economic Development (I-Bank)
Authorized in December 2007, due in annual principal and interest installments from \$163 to \$155 through August 2038, bearing an interest rate of 3.17%, for the purpose of financing the purchase and construction of the Basin 31 Detention Basin. The City pledged future storm drainage fee revenue to repay the note. The note is payable solely from the storm drainage fee revenue through August 2038. Total principal and interest remaining to be paid on the note is \$3,008. Current year principal and interest paid was \$162 and storm drainage fee revenue was \$39,969. The loan agreement contains a provision that in the event of a default, the principal of the loan and accrued interest on all unpaid installments would be due immediately.
- \$173,142 Drinking Water State Revolving Fund (DWSRF)
Authorized in May 2017, the DWSRF has agreed to fund the City's Accelerated Meter Installation and Pipe Replacement Program. Under the agreement, the City is to pay for project costs upfront and the DWSRF is to reimburse the City with loan amounts not to exceed \$173,142. Construction began in October 2017 with a projected end date of January 2021. The final reimbursement request deadline is July 2021, when required semi-annual note principal payments begin. The note will be repaid over a 20-year period, bearing an interest rate of 1.7%. Annual principal and interest payments will be approximately \$10,248. The City has pledged future water fee revenues to repay the note. Current year water fee revenues were \$130,421. The amount claimed and reimbursed by the City as of June 30, 2019 was \$17,704.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Capital Lease Obligations

The City has entered into several long-term leases to finance the acquisition of building improvements and equipment. These capital lease obligations are secured by collateral of the assets being financed: buildings and improvements located at the Sacramento Marina South Basin, a liquid nitrate gas refueling trailer, fire trucks and equipment, and parking equipment. The leases qualify as capital leases for accounting purposes as defined under the GASB Statement No. 62 and have been recorded at the present value of the future minimum lease payments. As of June 30, 2019, all capital lease obligations of the City are from direct borrowings. Future minimum lease payments to be made by the City’s General, Fleet Management, Parking, and Culture and Leisure Funds are as follows:

Fiscal Year Ending June 30,	Governmental Activities	Business-Type Activities	Total
2020	\$ 722	\$ 1,401	\$ 2,123
2021	139	983	1,122
2022	139	-	139
2023	68	-	68
Total minimum lease payments	1,068	2,384	3,452
Less amounts representing interest	(57)	(44)	(101)
Net present value of minimum lease payments	\$ 1,011	\$ 2,340	\$ 3,351

The following is a schedule of property under capital leases by major classes at June 30, 2019:

	Governmental Activities	Business-Type Activities	Total
Buildings and improvements	\$ 1,523	\$ -	\$ 1,523
Equipment	4,797	6,676	11,473
Less: accumulated depreciation	(2,992)	(198)	(3,190)
Total	\$ 3,328	\$ 6,478	\$ 9,806

The lease purchase agreements contain a provision that in the event of a default, the lessor may declare all rental payments payable to the end of the current term be due immediately.

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Other Long-term Liabilities

Accrued claims and judgements – Estimated liabilities of the City’s workers’ compensation, auto, and general liability self-insurance programs administered through the Risk Management Internal Service Fund. The first year of salary continuation in the City’s workers’ compensation program is accrued and paid by the City’s General Fund, enterprise funds, and internal service funds.

Compensated absences – Estimated amounts due to employees for earned, but unused, compensated absence accounts, including leave balances for vacation, sick, holiday and compensated time off. Compensated absences are generally liquidated by the City’s General Fund, enterprise funds, and internal service funds.

Net OPEB liability (other post-employment benefits) – Net liability for retiree medical benefits accounted for and reported in accordance with GASB Statement No. 75. The net OPEB liability is \$306,845 and \$56,001 for governmental activities and business-type activities, respectively, at June 30, 2019. Refer to Note 9 for more detailed information.

Pollution remediation obligations – Estimated liabilities to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities.

Financing plan fee credits – Issued to developers as consideration for infrastructure and other capital improvements constructed on behalf of the City within the scope of the North Natomas, Jacinto Creek and other development impact fee programs. Credits are redeemable from or against future impact fees assessed within the geographic boundaries of the finance plan.

Water fee credits – Issued to developers as consideration for infrastructure constructed on behalf of the City. Credits are redeemable from or against future water development impact fees.

Liability for landfill closure – Estimated post-closure maintenance and monitoring costs for the closed landfill sites.

Net pension liability – The net pension liability is \$846,888 and \$118,476 for governmental activities and business-type activities, respectively, at June 30, 2019. Refer to Note 8 for more detailed information.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Future Debt Service Requirements

The following tables disclose the annual debt service requirements for the City’s long-term debt outstanding as of June 30, 2019.

Annual debt service requirements of governmental activities to maturity are as follows:

Fiscal Year Ending June 30,	Revenue and Other Bonds, Direct Placements		Revenue and Other Bonds, Public Offerings	
	Principal	Interest	Principal	Interest
2020	\$ 465	\$ 210	\$ 17,248	\$ 25,823
2021	475	196	17,411	25,013
2022	490	183	13,655	24,316
2023	505	169	14,959	23,652
2024	515	154	15,235	22,911
2025 - 2029	2,820	541	89,230	101,181
2030 - 2034	2,225	128	105,549	74,946
2035 - 2039	-	-	67,620	50,808
2040 - 2044	-	-	55,965	35,427
2045 - 2049	-	-	73,595	17,774
2050 - 2054	-	-	17,297	975
Subtotals	7,495	1,581	487,764	402,826
Less: Issuance discounts	-	-	(2)	-
Plus: Issuance premiums	-	-	17,929	-
Totals	\$ 7,495	\$ 1,581	\$ 505,691	\$ 402,826

Fiscal Year Ending June 30,	Direct Borrowing Notes Payable	
	Principal	Interest
2020	\$ 1,656	\$ 586
2021	377	567
2022	396	548
2023	414	530
2024	433	511
2025 - 2029	2,478	2,243
2030 - 2034	3,099	1,622
2035 - 2039	3,346	862
2040 - 2044	1,815	170
Totals	\$ 14,014	\$ 7,639

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Future Debt Service Requirements (Continued)

Annual debt service requirements of business-type activities to maturity are as follows:

Fiscal Year Ending June 30,	Revenue and Other Bonds, Direct Placements		Direct Borrowing Notes Payable	
	Principal	Interest	Principal	Interest
2020	\$ 23,656	\$ 36,120	\$ 3,679	\$ 694
2021	29,949	35,029	3,799	606
2022	21,325	33,849	1,331	516
2023	21,706	32,866	1,359	488
2024	22,750	31,807	1,388	459
2025 - 2029	131,865	140,759	7,390	1,838
2030 - 2034	144,006	105,154	7,237	1,026
2035 - 2039	129,380	72,790	5,456	404
2040 - 2044	139,625	38,101	1,546	26
2045 - 2049	79,437	9,933	-	-
Subtotals	743,699	536,408	33,185	6,057
Less: Issuance discounts	(69)	-	-	-
Plus: Issuance premiums	87,917	-	-	-
Totals	\$ 831,547	\$ 536,408	\$ 33,185	\$ 6,057

As of June 30, 2019, there are no direct placement bonds payable for business-type activities.

Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the U.S. Department of Treasury at least every five years. During the current year, the City performed calculations of excess investment earnings on various bonds and determined the liability to be zero at June 30, 2019.

Special Assessment Debt

Total matured and unmatured bonds outstanding related to special assessment and special tax districts are \$165,390 at June 30, 2019. The City acts as an agent for the property owners in collecting special assessments, forwarding the collections to bondholders and initiating foreclosure proceedings, when appropriate. The City is not liable for repayment of the special district bonds, and accordingly, they are not reflected in the accompanying basic financial statements. Cash held on deposit and corresponding amounts payable for the districts are reported in the Assessment Districts and Community Facilities Districts Agency Funds.

Conduit Debt

Outstanding obligations related to special facility and redevelopment agency revenue bonds total \$185,987 at June 30, 2019. Special facility revenue bonds were issued to provide administrative and service facilities for four non-profit organizations and for offices leased to the State of California Department of General Services (State). The bonds issued are special limited obligations of the City, payable solely from and secured by a pledge of revenue to be received from loan or lease agreements between the City and the non-profit organizations or the State. The redevelopment agency bonds were issued by the Sacramento City Financing Authority to finance redevelopment activities and to refund certain other obligations of the redevelopment agency. The City is not liable for repayment of these bonds, and accordingly, they are not reflected in the accompanying basic financial statements.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 8 – PENSION PLANS

Defined Benefit Plan Description

The City of Sacramento provides defined benefit retirement benefits through the California Public Employees' Retirement System (CalPERS) and the Sacramento City Employees' Retirement System (SCERS). CalPERS is an agent multiple-employer public employee defined benefit pension plan. SCERS is a single-employer defined benefit pension plan.

As of June 30, 2019, the City reported total net pension liability, deferred outflows of resources and deferred inflows of resources for CalPERS (Miscellaneous and Safety Plans) and SCERS plans as follows:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Miscellaneous Plan	\$ 351,588	\$ 61,813	\$ 5,551
Safety Plan	582,271	135,710	30,543
SCERS	31,505	-	3,728
Total	<u>\$ 965,364</u>	<u>\$ 197,523</u>	<u>\$ 39,822</u>

For the year ended June 30, 2019, the City recognized total pension expense of \$142,450 for CalPERS and SCERS plans.

CalPERS

All full-time and certain part-time City employees hired after January 28, 1977 and City safety employees, regardless of date of hire, are eligible to participate in CalPERS. CalPERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and their beneficiaries. Copies of CalPERS' annual financial report may be obtained from the CalPERS Executive Office at 400 Q Street, Sacramento, CA 95814. A separate report for the City's plan within CalPERS is not available.

General Information about the Pension Plan

Plan Description – All qualified permanent probationary employees are eligible to participate in the City's separate Safety (police and fire) and Miscellaneous (all other) Plans, agent multiple employer defined benefit pension plans administered by the CalPERS, which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at <http://www.calpers.ca.gov>.

Benefits Provided – CalPERS provides 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 adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 8 – PENSION PLANS (Continued)

General Information about the Pension Plan (Continued)

The Plans' provisions and benefits in effect at June 30, 2019, are summarized as follows:

	Miscellaneous	
	Classic	PEPRA
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50-63	52-67
Monthly benefits, as a % of annual salary	1.4% to 2.4%	1.0% to 2.5%
Required employee contribution rates	6.69%	6.75%
Required employer contribution rates	18.88%	18.88%

	Safety	
	Classic	PEPRA
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Formula	3% @ 50	2.7% @ 57
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50	50-57
Monthly benefits, as a % of annual salary	3.0%	2.0% to 2.7%
Required employee contribution rates	9.29%	12.00%
Required employer contribution rates	42.79%	42.79%

Employees Covered – At June 30, 2019, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	2,475	1,206
Inactive employees entitled to but not yet receiving benefits	4,325	438
Active employees	2,563	1,243
Total	9,363	2,887

Contributions – Section 20814(c) of the California Public Employees' Retirement law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in rate. Funding contributions for both Plans 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 City is required to contribute the difference between the actuarially determined rate and the contribution rates of employees. For the fiscal year ended June 30, 2019, the contributions for the miscellaneous and safety plans were \$33,664 and \$56,327, respectively.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 8 – PENSION PLANS (Continued)

Net Pension Liability

The City’s net pension liability for each Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2018, using an annual actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liabilities in the June 30, 2017 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2017	June 30, 2017
Measurement Date	June 30, 2018	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Payroll Growth	2.75%	2.75%
Projected Salary Increase	3.3% - 14.2% ⁽¹⁾	3.3% - 14.2% ⁽¹⁾
Investment Rate of Return	7.50% ⁽²⁾	7.50% ⁽²⁾
Mortality	2017 CalPERS Experience Study	2017 CalPERS Experience Study

(1) Depending on age, service and type of employment

(2) Net of pension plan investment expenses, including inflation

The inflation rate used to measure the total pension liability was 2.5% for each Plan, a decrease from the previous 2.75%, and the payroll growth rate used was 2.75%, a decrease from the previous 3%.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2017 valuation were based on the results of a December 2017 actuarial experience study for the period of 1997 to 2015. Further details of the Experience Study can be found on the CalPERS website at <https://www.calpers.ca.gov/docs/forms-publications/calpers-experience-study-2017.pdf>.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 8 – PENSION PLANS (Continued)

Net Pension Liability (Continued)

Discount Rate – The discount rate used to measure the total pension liability was 7.15% for each Plan. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the City’s contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, each pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was 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 best-estimate ranges of 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 staff considered both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 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 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 equivalent to the single equivalent rate calculated and adjusted to account for assumed administrative expenses.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	Assumed Asset Allocation	Real Return Years 1 - 10 ⁽¹⁾	Real Return Years 11+ ⁽²⁾
Global Equity	50%	4.80%	5.98%
Global Fixed Income	28%	1.00%	2.62%
Inflation Sensitive	-	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Estate	13%	3.75%	4.93%
Liquidity	1%	-	-0.92%
Total	100%		

(1) An expected inflation of 2% used for this period.
(2) An expected inflation of 2.92% used for this period.

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 8 – PENSION PLANS (Continued)

Net Pension Liability (Continued)

Changes in the Net Pension Liability – The changes in the Net Pension Liability for each Plan for the measurement date of June 30, 2018 are as follows:

<u>Miscellaneous Plan:</u>	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2018	\$ 1,256,578	\$ 906,647	\$ 349,931
Changes in the year:			
Service cost	28,404	-	28,404
Interest on the total pension liability	89,060	-	89,060
Changes of assumptions	(7,898)	-	(7,898)
Difference between Expected and Actual Experience	6,909	-	6,909
Plan to Plan resource movement	-	(2)	2
Contribution - employer	-	29,514	(29,514)
Contribution - employee	-	12,634	(12,634)
Net investment income	-	76,768	(76,768)
Benefit payments, including refunds of employee contributions	(48,384)	(48,384)	-
Administrative expense	-	(1,413)	1,413
Other miscellaneous expense	-	(2,683)	2,683
Net changes	68,091	66,434	1,657
Balance at June 30, 2019	<u>\$ 1,324,669</u>	<u>\$ 973,081</u>	<u>\$ 351,588</u>
 <u>Safety Plan:</u>	 Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2018	\$ 1,824,826	\$ 1,233,346	\$ 591,480
Changes in the year:			
Service cost	38,386	-	38,386
Interest on the total pension liability	127,930	-	127,930
Changes of assumptions	(17,242)	-	(17,242)
Difference between Expected and Actual Experience	3,954	-	3,954
Plan to Plan resource movement	-	(4)	4
Contribution - employer	-	41,588	(41,588)
Contribution - employee	-	21,564	(21,564)
Net investment income	-	104,661	(104,661)
Benefit payments, including refunds of employee contributions	(82,999)	(82,999)	-
Administrative expense	-	(1,922)	1,922
Other miscellaneous expense	-	(3,650)	3,650
Net changes	70,029	79,238	(9,209)
Balance at June 30, 2019	<u>\$ 1,894,855</u>	<u>\$ 1,312,584</u>	<u>\$ 582,271</u>
Totals of both Miscellaneous and Safety Plans	<u>\$ 3,219,524</u>	<u>\$ 2,285,665</u>	<u>\$ 933,859</u>

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 8 – PENSION PLANS (Continued)

Net Pension Liability (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan, as well as what the City’s net position liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Safety	Total
1% Decrease	6.15%	6.15%	6.15%
Net Pension Liability	\$ 542,528	\$ 849,976	\$ 1,392,504
Current Discount Rate	7.15%	7.15%	7.15%
Net Pension Liability	\$ 351,588	\$ 582,271	\$ 933,859
1% Increase	8.15%	8.15%	8.15%
Net Pension Liability	\$ 194,714	\$ 363,215	\$ 557,929

Pension Plan Fiduciary Net Position – Detailed information about each pension plans’ fiduciary net position is available in the separately issued CalPERS financial reports.

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2019 the City recognized pension expense of \$68,441 and \$71,492 for the Miscellaneous and Safety Plans respectively. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous Plan		Safety Plan		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 33,664	\$ -	\$ 56,327	\$ -	\$ 89,991	\$ -
Changes of assumption	21,706	5,175	66,651	21,005	88,357	26,180
Differences between actual and expected experience	4,526	239	9,299	9,538	13,825	9,777
Net differences between projected and actual earnings on plan investments	1,780	-	3,433	-	5,213	-
Proportionate share	137	137	-	-	137	137
Total	\$ 61,813	\$ 5,551	\$ 135,710	\$ 30,543	\$ 197,523	\$ 36,094

The amount of \$89,991 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred inflows of resources related to pensions will be recognized as reductions of pension expense as follows:

Fiscal Year Ended	Miscellaneous Plan	Safety Plan	Total
June 30,			
2020	\$ 32,102	\$ 27,995	\$ 60,097
2021	2,117	19,639	21,756
2022	(9,135)	2,753	(6,382)
2023	(2,486)	(795)	(3,281)
2024	-	(752)	(752)
Total	\$ 22,598	\$ 48,840	\$ 71,438

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 8 – PENSION PLANS (Continued)

SCERS

The City reports SCERS as a pension trust fund. SCERS issues a publicly available financial report that includes financial statements and required supplementary information. The financial report may be obtained by writing the City of Sacramento Department of Finance, 915 I Street, 4th Floor, Sacramento, CA 95814. The following is a summary of significant accounting policies:

Basis of Accounting – SCERS’ financial statements are prepared using the accrual basis of accounting. Member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments – Investments are reported at fair value, except mortgage loans which are recorded at amortized cost. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

General Information about the Pension Plan

Plan Description – The SCERS is a closed defined benefit pension plan. It has not accepted new members since January 28, 1977. All full-time, non-safety employees hired before January 29, 1977, are eligible to participate in SCERS.

Benefits Provided – SCERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries based on the plan that they belong to. SCERS has the following plans:

Charter Section 399 Plan – This defined benefit plan was established effective January 1, 1977 to provide retirement, disability and death benefits. Active members contribute at a rate based upon entry age and type of employment. The benefits for this plan are based on the average monthly compensation times years of service times benefit factor, but no larger than 75% of final average earnings. Employees may retire at age 70, or age 50 and 5 years of service.

Equal Shares Plan – This defined benefit plan was established July 1, 1970 to provide retirement, disability and death benefits to all City employees electing coverage at that date and to all employees who were hired from that date through January 1, 1977. The benefits for this plan are based on the average monthly compensation times years of service times benefit factor, but no larger than 75% of final average earnings. Employees may retire at age 70, or age 50 and 5 years of service.

Charter Section 175 Plan – This defined benefit plan was established in 1953 to provide for retirement, disability and death benefits at a lower amount than the successor Equal Shares Plan. The benefits for this plan are based on the average monthly compensation times years of service times benefit factor. For retirement after age 65 with 20 years of service, benefit is minimum of \$60 per month. Employees may retire at age 70, or age 55 and 20 years of service.

An employee who leaves City service may withdraw his or her contributions, plus any accumulated interest under all the retirement and disability benefit plans described above.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 8 – PENSION PLANS (Continued)

General Information about the Pension Plan (Continued)

Benefit Factors at sample ages for benefit plans described above are following:

Retirement Age	Section 175	Section 399 and Equal Share
50	N/A	1.10%
55	1.10%	1.75%
60	1.67%	2.40%
65	2.44%	2.40%

Employees Covered – At June 30, 2019 the following employees were covered by the benefit terms for each Plan:

	Section 399	Equal Shares	Section 175	Total
Inactive members or beneficiaries receiving benefits	869	49	55	973
Inactive members entitled to but not yet receiving benefits	7	-	1	8
Active plan members	8	-	-	8
Total plan members	884	49	56	989

Cost-of-living Adjustment – This adjustment, established in 1969, provides for annual retirement benefit increases of up to 3% of normal benefits based on a corresponding rise in the consumer price index. Cost-of-living benefits are payable to retirees and beneficiaries of all of the above plans after one year of retirement. The cost-of-living adjustment was 3% for fiscal year 2019. Members contribute to this adjustment at a rate of 1% of their normal retirement contributions. The City is required to fund all costs in excess of members' contributions and investment earnings.

Social Security Adjustments – For members participating in Social Security, their benefit will be adjusted at the later of age 62 or actual retirement age. The amount of the adjustment is one half of the primary insurance amount (PIA) from Social Security, multiplied by the ratio of the sum of salary earned from the City to the sum of salary from all sources used in the calculation of the Social Security amount. The member's benefit under the System plus the amount received from Social Security cannot be less than the member's benefit under the System calculated with no reductions at the time of retirement. The City applies this offset to service retirees, not to disabled retirees.

Contributions – The City Charter grants the authority to establish and amend the contribution requirements of the City and active employees to the SCERS Board. The Board establishes rates based on actuarially determined rates recommended by an independent actuary. 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 accrual liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2019, the average active employee contribution rate was 7.23% of annual pay, and the City's average contribution rate was 1.1% of annual payroll. For the fiscal year ended June 30, 2019, the contributions for the SCERS plan were \$7,507.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
 (dollar amounts expressed in thousands)

NOTE 8 – PENSION PLANS (Continued)

Net Pension Liability

The City’s net pension liability for SCERS was measured as of June 30, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumption – The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%	
Salary increase	2.75%	CPI Plus 0.5% merit, average
Investment rate of return	6.50%	percent, net of pension plan investment including inflation

Mortality rates for service retirements and beneficiaries were based on CalPERS 1997-2015 Mortality Table projected for future mortality improvement utilizing Society of Actuaries Scale MP-2018. Mortality rates for disability retirements were based on CalPERS 1997-2015 Mortality Table for non-work Disabled Retirees for Miscellaneous and CalPERS 1997-2015 Mortality Table for work-related Disabled Retirees for Safety. Both tables were projected for future mortality improvement utilizing Society of Actuaries Scale MP-2018.

The actuarial assumption used in the June 30, 2019 valuation were based on the results from the CalPERS 1997-2015 Experience Study, project with fully generational Scale MP-2018.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	30.0%	1.47%
Large Cap Growth	35.0%	4.36%
Equity Income	27.5%	4.36%
International	7.5%	4.93%
Total	<u>100.0%</u>	

An expected inflation of 2.75% used for this period.

Discount Rate – The discount rate used to measure the total pension liability was 6.5%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 8 – PENSION PLANS (Continued)

Net Pension Liability (Continued)

Changes in the Net Pension Liability – The changes in the Net Pension Liability for SCERS Plan for the measurement date June 30, 2019 is as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2018	\$ 324,669	\$ 286,609	\$ 38,060
Changes in the year:			
Service Cost	66	-	66
Interest	20,095	-	20,095
Change of assumptions	(927)	-	(927)
Differences between expected and actual experience	304	-	304
Contribution - employer	-	7,507	(7,507)
Contribution - employee	-	49	(49)
Net investment income	-	18,537	(18,537)
Benefit payments, including refunds of employee contributions	(31,134)	(31,134)	-
Net changes	(11,596)	(5,041)	(6,555)
Balance at June 30, 2019	\$ 313,073	\$ 281,568	\$ 31,505

Change of assumptions and changes in experience affecting the measurement of the Total Pension Liability since the prior measurement date – Mortality improvement was changed from fully generational projection with Society of Actuaries Scale MP-2017 to fully generational projection with Society of Actuaries Scale MP-2018. CPI was greater than expected, leading to increased COLA banks and experience loss, which was mostly offset by demographic gains primarily due to more retiree and beneficiary deaths than expected.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the City for the SCERS plan, calculated using the discount rate for the Plan, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% decrease (5.5%)	Current Discount Rate (6.5%)	1% increase (7.5%)
SCERS net pension liability	\$ 57,444	\$ 31,505	\$ 9,008

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued SCERS financial report.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 8 – PENSION PLANS (Continued)

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2019, the City recognized pension expense of \$2,517 attributable to the SCERS plans. At June 30, 2019, the City reported deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources
Net differences between projected and actual earnings on plan investments	<u>\$ 3,728</u>

Amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30,	Deferred Inflows of Resources
2020	\$ (333)
2021	(2,534)
2022	(728)
2023	(133)
Total	<u>\$ (3,728)</u>

Defined Contribution Plan

The City also provides defined contribution retirement benefits through City’s 401(a) Money Purchase Plan (the 401(a)). The 401(a) is administered by Nationwide. The 401(a) provisions and contribution requirements are established and may be amended by City Council. Unrepresented exempt and certain represented employees may elect to participate. Participating employees of the aforementioned groups are required to contribute 5% and 2%, and the City contributes 4% and 2%, respectively, of covered salary. For the year ended June 30, 2019, employees contributed \$4,219 and the City contributed \$3,452 to the 401(a).

NOTE 9 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

General Information

Plan Description – The City provides contributions for post-employment medical, dental and vision benefits to employees who retire directly from the City and their dependents through an Agent-multiple employer defined benefit OPEB plan (the plan) through CalPERS. The post-employment health, dental, and vision care employer contributions range from \$0 to \$860.60 per month per participant, which covers between 0% and 100% of the benefit cost, depending on the choice of plan and number of dependents. Participants have the choice of enrolling in one of several health plans, one of two dental plans, and one of two vision plans. To be eligible for the City paid benefits, the employee must retire with a minimum of ten full years of active City service and be 50 years of age. Participants with a minimum of twenty years of service are eligible for 100% of the maximum benefit. Participants with more than fifteen years but less than twenty years of service are eligible for 75% of the maximum benefit. Participants with more than ten years but less than fifteen years of service are eligible for 50% of the maximum benefit. The eligibility of the City’s post-employment health contributions has been eliminated for employees hired after a certain date dependent upon the employee’s labor agreement. The post-employment health, dental and vision care contributions are defined by labor agreements and resolutions approved by the City Council. The City does not issue a separate stand-alone financial report for its OPEB plan.

In addition, the City established an irrevocable trust to pre-fund the other post-employment Annual Required Contribution benefits with the California Employers’ Retiree Benefit Trust (CERBT). The CERBT financial statements and additional reports can be obtained from the CalPERS website www.calpers.ca.gov.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 9 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

General Information (Continued)

Employees Covered – At June 30, 2019, the following current and former employees were covered by the benefit terms under the Plan:

Inactive employees or beneficiaries currently receiving benefits	2,680
Inactive employees entitled to but not yet receiving benefits	400
Active employees	3,527
Total	6,607

Contributions – The plan and its contribution requirements are established by memorandums of understanding with the applicable employee bargaining units and may be amended by agreements between the City and the bargaining units. The City is currently funding the OPEB plan on a pay-as-you-go basis. However, the City Council has authorized the City Manager to establish an OPEB trust fund with CalPERS. Contributions recognized by the plan from the employer for the year ended June 30, 2019 were \$18,406.

Net OPEB Liability

Actuarial Assumptions – The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	4.50%
Inflation	2.75%
Salary Increases	3.0%
Investment Rate of Return	6.75%
Healthcare cost trend rate	Non-Medicare - 7.5% for 2019, decreasing to 4% for 2076 and later. Medicare - 6.5% for 2019, decreasing to 4% for 2076 and later.

Mortality assumptions were based on the results of the CalPERS 1997 to 2011 experience study dated January 2014 and SCERS June 30, 2017 valuation assumptions. The Experience Study Report may be accessed on the CalPERS website www.calpers.ca.gov, under Forms and Publications.

Pre-retirement turnover information was developed based on CalPERS' specific data. For further details, please refer to the 2007 to 2011 Experience Study Report. The Experience Study Report may be accessed on the CalPERS website www.calpers.ca.gov, under Forms and Publications.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 9 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Net OPEB Liability (Continued)

Discount Rate – The discount rate used to measure the total OPEB liability was 4.5% for the Plan, a decrease from the previous rate, 3.95%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the Plan’s contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on the OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The long-term expected rate of return on the OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Global Equity	57%	4.82%
Fixed Income	27%	1.47%
Treasury Inflation-Protected Securities (TIPS)	5%	1.29%
Commodities	3%	0.84%
Real Estate Investment Trusts (REITs)	8%	3.76%
Total	100%	

Changes in the Net OPEB Liability – The changes in the OPEB liability for the OPEB plan as of June 30, 2019 are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability / (Asset)
Balance at June 30, 2018	\$ 415,957	\$ 26,445	\$ 389,512
Changes in the year:			
Service cost	11,052	-	11,052
Interest on the total OPEB liability	16,612	-	16,612
Changes of assumptions	(30,845)	-	(30,845)
Contribution - employer	-	21,072	(21,072)
Contribution - employee	-	308	(308)
Net investment income	-	2,156	(2,156)
Benefit payments, including refunds	(12,903)	(12,903)	-
Administrative expense	-	(51)	51
Net changes	(16,084)	10,582	(26,666)
Balance at June 30, 2019	\$ 399,873	\$ 37,027	\$ 362,846

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 9 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Net OPEB Liability (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the City's net OPEB liability, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	Discount Rate		
	1% decrease (3.5%)	Current Rate (4.5%)	1% increase (5.5%)
Net OPEB liability	\$ 421,800	\$ 362,846	\$ 314,937

Sensitivity of the Net OPEB liability to Changes in the Healthcare Cost Trend Rates – The following presents the City's net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	Trend Rate		
	1% decrease 6.5%-5.5% decreasing to (3%)	Current Rate 7.5% - 6.5% decreasing to (4%)	1% increase 8.5%-7.5% decreasing to (5%)
Net OPEB liability	\$ 306,508	\$ 362,846	\$ 433,790

OPEB Plan Fiduciary Net Position – Detailed information about OPEB plan's fiduciary net position is available in the separately issued CalPERS financial reports.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB – For the year ended June 30, 2019, the City recognized OPEB expense of \$16,264. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions subsequent to measurement date	\$ 18,406	\$ -
Changes of assumption	-	42,207
Net differences between projected and actual earnings on plan investments	-	636
Total	\$ 18,406	\$ 42,843

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 9 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

Net OPEB Liability (Continued)

The amount of \$18,406 reported as deferred outflows of resources related to OPEB resulting from the OPEB plan contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Fiscal Year Ended June 30,	Deferred Inflows of Resources
2020	\$ (9,256)
2021	(9,256)
2022	(9,257)
2023	(9,115)
2024	(5,456)
Thereafter	(503)
Total	<u>\$ (42,843)</u>

NOTE 10 – FUND EQUITY AND EXCESS OF EXPENDITURES OVER APPROPRIATIONS

At June 30, 2019, the government-wide statement of net position reported restricted net position of \$299,516 in governmental activities. Of this amount, \$45,409 is restricted for enabling legislation.

The Culture and Leisure Fund, a special revenue fund, had a deficit fund balance of \$4,101 as of June 30, 2019. Both the Golf and Marina programs within this fund had deficit fund balances of \$5,141 and \$2,096, respectively. It is anticipated that this deficit will be funded by future operating subsidies and surpluses.

The Capital Grants Fund, a capital project fund, had a deficit fund balance of \$2,240 as of June 30, 2019. The deficit represents grant expenditures unreimbursed by granting agencies within the 60-day period of availability for which corresponding revenues have not been recorded. The deficit will be recovered upon receipt of grantor reimbursements.

The 4th R Child Development Fund, an enterprise fund, had a deficit net position of \$1,300 as of June 30, 2019. It is anticipated that this deficit will be funded by future operating subsidies.

For the fiscal year ended June 30, 2019, General Fund expenditures for Fire exceeded appropriations by \$3,381. The overspending was funded by revenue collected in excess of budgeted amounts.

For the fiscal year ended June 30, 2019, expenditures exceeded appropriations in the Cal EPA and Parks and Recreation special revenue funds by \$587 and \$211, respectively. This overspending was funded by operating surpluses from previous years.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 11 – INTERFUND TRANSACTIONS

Interfund Transfers

Interfund transfers report the nonreciprocal contribution of resources from one fund to another. The following is a summary of transfers for the fiscal year ended June 30, 2019:

	Description	Transfers In	Transfers Out	Net Transfers
Governmental activities:				
General Fund	Debt service	\$ 2,214	\$ (21,809)	\$ (19,595)
General Fund	In-lieu tax transfers	33,018	-	33,018
General Fund	Program support	3,420	(6,110)	(2,690)
2015 Golden 1 Center				
Lease Revenue Bond Fund	Debt service	7,100	(190)	6,910
Other Governmental Funds	Debt service	22,819	(2,519)	20,300
Other Governmental Funds	Program support	1,360	(2,486)	(1,126)
Internal Service Funds	Debt service	412	(66)	346
Internal Service Funds	Program support	-	(643)	(643)
Adjustment for transfer of capital assets between governmental activities and business-type activities	Transfer of capital assets	-	(996)	(996)
Total governmental activities		<u>70,343</u>	<u>(34,819)</u>	<u>35,524</u>
Business-type activities:				
Water Fund	Debt service	-	(50)	(50)
Water Fund	In-lieu tax transfers	-	(13,694)	(13,694)
Water Fund	Program support	93	(498)	(405)
Wastewater Fund	Debt service	-	(66)	(66)
Wastewater Fund	In-lieu tax transfers	-	(4,331)	(4,331)
Wastewater Fund	Program support	164	-	164
Storm Drainage Fund	Debt service	-	(107)	(107)
Storm Drainage Fund	In-lieu tax transfers	-	(4,235)	(4,235)
Storm Drainage Fund	Program support	5	-	5
Solid Waste Fund	Debt service	-	(157)	(157)
Solid Waste Fund	In-lieu tax transfers	-	(6,880)	(6,880)
Solid Waste Fund	Program support	25	-	25
Community Center Fund	In-lieu tax transfers	-	(1,792)	(1,792)
Community Center Fund	Program support	-	(637)	(637)
Other Enterprise Funds	Debt service	-	(7,581)	(7,581)
Other Enterprise Funds	In-lieu tax transfers	-	(2,086)	(2,086)
Other Enterprise Funds	Program support	5,307	-	5,307
Adjustment for transfer of capital assets between governmental activities and business-type activities	Transfer of capital assets	996	-	996
Total business-type activities		<u>6,590</u>	<u>(42,114)</u>	<u>(35,524)</u>
Total government-wide statements		<u>\$ 76,933</u>	<u>\$ (76,933)</u>	<u>\$ -</u>

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 11 – INTERFUND TRANSACTIONS (Continued)

Interfund Balances

Interfund balances report lending transactions between funds. The following is a summary of interfund balances as of June 30, 2019:

	Receivables	Payables	Interfund Balances
Other Governmental Funds	\$ -	\$ (7,923)	\$ (7,923)
Internal Service Funds	13,503	-	13,503
Total governmental activities	<u>13,503</u>	<u>(7,923)</u>	<u>5,580</u>
Community Center Fund	-	(5,580)	(5,580)
Total business-type activities	<u>-</u>	<u>(5,580)</u>	<u>(5,580)</u>
Total	<u>\$ 13,503</u>	<u>\$ (13,503)</u>	<u>\$ -</u>

\$13,503 was loaned by the City's internal service funds to cover short-term operating deficits (approximately \$5,975) and to assist in development of community resources (approximately \$7,528). Included in the \$13,503 of interfund loans is \$12,022 that is not expected to be repaid within one year.

\$1,231 was borrowed by the Capital Grants Fund for short-term loans.

\$6,692 was borrowed by the Culture and Leisure Fund for development of community resources and operating deficit.

\$5,580 was borrowed by the Community Center Fund for development of community resources.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 12 – RISK MANAGEMENT

The City is exposed to various risks of loss related to the following: worker’s compensation; torts including errors and omissions; employment practices; theft of, damage to and destruction of assets; and natural disasters for which the City self-insures and/or carries commercial insurance. Earthquake damage is not included in the property insurance coverage carried by the City.

The Risk Management Internal Service Fund self-insures the first \$2,000 of each workers’ compensation claim. Excess worker’s compensation insurance is purchased through the California State Association of Counties’ Excess Insurance Authority and it provides statutory coverage over the City’s \$2,000 self-insured retention. The fund self-insures the first \$2,000 of general and auto liability claims plus claim costs that exceed commercial insurance coverage. Commercial insurance for general and auto liability claims provides \$35,000 in coverage, with a \$2,000 loss corridor deductible, for claims over the City’s self-insured retention.

Liabilities are estimated based on recommendations from an independent actuarial evaluation. Liabilities are based on estimated ultimate cost of settling claims, including effects of inflation and other social and economic factors. Estimated liability is then discounted by the City’s expected rate of return and anticipated timing of cash outlays to determine the present value of the liability. For the fiscal year ended June 30, 2019 the expected rate of return was 3%. Settled claims have not exceeded insurance coverage for each of the past three fiscal years.

All funds of the City participate in the program and make payments to the Risk Management Internal Service Fund based on estimates of the amounts needed to pay operating costs, insurance premiums, and prior and current year claims. At June 30, 2019, the Risk Management Internal Service Fund had a net position of \$21,610.

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, economic and social factors, and trends in damage awards. Accordingly, claims are reevaluated periodically to consider the effects of these factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claim liability estimate.

Changes in the Risk Management Internal Service Fund’s claims liability for the past two fiscal years are summarized as follows:

	2019	2018
Accrued claims and judgements, July 1	\$ 78,745	\$ 80,749
Incurred claims and adjustment expenses	20,255	15,424
Claim payments	(13,507)	(17,428)
Accrued claims and judgements, June 30	<u>\$ 85,493</u>	<u>\$ 78,745</u>

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
 (dollar amounts expressed in thousands)

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Commitment of Enterprise Fund Revenues

Revenue of the Water Enterprise Fund is pledged to the payment of principal and interest on the California Department of Public Health Note Payable, the Drinking Water State Revolving Fund Note Payable, the Water Revenue Bonds, Series 2013 and the Water Revenue Bonds, Series 2017. Revenue of the Wastewater Enterprise Fund is pledged to the payment of principal and interest on the State Water Resources Control Board Notes Payable, the Wastewater Revenue Bonds, Series 2013 and Wastewater Revenue Bonds, Series 2019. Revenue of the Storm Drainage Enterprise Fund is pledged to the payment of principal and interest on the State Water Resources Control Board Notes Payable and the California Infrastructure and Economic Development Bank Note Payable. Transient Occupancy Tax (TOT) Revenue of the Community Center Fund is pledged to the payment of principal and interest on 2018 TOT Revenue Bonds, Senior Series A, B and Subordinate Series C. See Note 7 for more detailed information.

Construction and Other Commitments

The City has commitments of \$361,795 for contracts awarded but not completed as of June 30, 2019. The following table shows the distribution of those commitments among major and non-major funds.

Governmental Activities:		Business-type Activities:	
General Fund	\$ 9,452	Water Fund	\$ 57,453
Measure U	2,341	Wastewater Fund	31,690
Other governmental funds	29,569	Storm Drainage Fund	3,329
Internal service funds	10,349	Solid Waste Fund	3,538
		Community Center Fund	213,633
		Other enterprise funds	441
Total governmental activities	<u>\$ 51,711</u>	Total business-type activities	<u>\$ 310,084</u>

The major contracts outstanding are \$137,468 for renovation of the Convention Center Complex; \$74,532 for renovation of the Community Center Theater; \$40,383 for residential water meter installations, pipeline replacements and retrofit projects; \$28,010 for the McKinley Park Combined Sewer System Storage project to reduce area flooding; \$17,847 for the purchase of vehicles, primarily replacement refuse trucks and garbage trucks; \$3,755 for the development of 20,400 square foot space to house a workforce development and employment initiative for the medical and health related fields for the Oak Park Project; \$2,742 for Richards Boulevard/ I-5 Interchange project that provides primary access to the Railyards and River District redevelopment and \$2,003 to upgrade the Memorial Auditorium to accommodate events while the Community Center is closed for renovations.

Contingent Liabilities

The City participates in various federal, state and local grant programs, the principal of which is the Federal Highway Planning and Construction program. These programs are subject to financial and compliance audits by the grantors or their representatives. The audits of these programs for earlier years and the year ended June 30, 2019 have not been completed in all cases; accordingly, final determination of the City's compliance with applicable grant requirements may be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City believes any such claims would be immaterial to the City's financial position at June 30, 2019. Receipt of these grant revenues is not assured in the future.

Litigation

Various claims and lawsuits are pending against the City. As discussed in Note 12, the City is primarily self-insured and has accrued a liability for estimated claims outstanding. Although the outcome of these claims and lawsuits is not presently determinable, management, after consultation with legal counsel, is of the opinion that final outcome of these matters will not have a material adverse effect on the financial condition of the City.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019

(dollar amounts expressed in thousands)

NOTE 13 – COMMITMENTS AND CONTINGENCIES (Continued)

Post Closure Care Cost

The City has several landfill sites which have stopped accepting waste, have been covered, and are closed. State and federal laws and regulations require that the City perform certain maintenance and monitoring functions at these sites after closure. The most recent engineering report estimated that \$2,371 was required for future post closure monitoring costs as of June 30, 2018. The estimate was based on current cost and may change due to inflation or deflation, technology, or applicable laws and regulations. The estimated liability was amortized to \$2,214 as of June 30, 2019. An updated cost study will be prepared for the year ended June 30, 2020. The City received approval from state regulators to fund the post closure costs, along with cost increases due to inflation, with user charges for solid waste disposal.

Pollution Remediation Obligations

A pollution remediation obligation is an obligation to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities. The City is responsible for pollution remediation activities at several sites that have soil contaminated with petroleum, hydrocarbons, and/or metals. Regulatory agencies providing oversight of the City's pollution remediation obligations and activities include the State of California Regional Water Quality Control Board, the State of California Department of Toxic Substance Control, the Sacramento County Department of Environmental Management, and the State of California Department of Public Health. The estimated obligation was \$630 at June 30, 2018 and \$692 at June 30, 2019. Pollution remediation outlays totaled approximately \$884 for the year ended June 30, 2019. Pollution remediation obligations are measured based on outlays expected to be incurred to settle all estimable remediation efforts. Pollution remediation obligations are measured at the current value of reasonable and supportable assumptions about future events that may affect the eventual settlement of the obligations. Pollution remediation obligations are measured using the expected cash flow technique, which measures the obligation as the sum of probability-weighted amounts in a range of possible cash flows. Estimates are based on all currently available information, as well as the facts and circumstances of each situation, but may change due to price changes, changes in laws or regulations, changes in remediation technologies, or as additional information become available. Estimated recoveries from other parties that are included in the calculation of the City's pollution remediation obligations total \$118.

NOTE 14 – JOINT VENTURES AND JOINTLY GOVERNED ORGANIZATIONS

JOINT VENTURES

Sacramento Housing and Redevelopment Agency

The City is a participant with the County of Sacramento in the Sacramento Housing and Redevelopment Agency (SHRA). SHRA is a stand-alone agency governed by the County Board of Supervisors over County housing activities and the City Council over City housing activities. Although the City does not have an equity interest in SHRA, it does have an ongoing financial interest. Based upon the approval process for activities of the Housing Authority of the City of Sacramento (Housing Authority), the City has the ability to directly influence SHRA to undertake projects for the citizenry of the City. Because the City's primary government does not have an equity interest in SHRA, SHRA's financial information is not included in these financial statements. Separately issued financial statement may be obtained from the Sacramento Housing and Redevelopment Agency, 801 12th Street, Sacramento, California, 95814.

SHRA administered the redevelopment agencies of the City and County until February 1, 2012. In 2011 the California Legislature enacted AB 1x 26, which coupled with a subsequent decision of the State Supreme Court, resulted in the dissolution of redevelopment agencies. Upon the dissolution of the redevelopment agency, the City elected to become the successor agency for the non-housing redevelopment agency activities. More information can be found in Note 15 – Successor Agency Trust Fund. The City designated the Housing Authority as the local authority to retain the housing assets and functions previously performed by the redevelopment agency, and the Housing Authority affirmatively elected pursuant to Health and Safety Code Section 34176 that it would serve as the "Successor Housing Agency" to the former redevelopment agency.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 14 – JOINT VENTURES AND JOINTLY GOVERNED ORGANIZATIONS (Continued)

JOINT VENTURES (Continued)

Sacramento Public Library Authority

The City is a participant with the County of Sacramento and the cities of Citrus Heights, Elk Grove, Galt, Isleton and Rancho Cordova in the Sacramento Public Library Authority (Library), a joint powers agency created to provide library services to the residents of the participating municipalities. The Library is governed by a board made up of five County appointees and various numbers of appointees from each city, depending upon population. As of June 30, 2019, five of seventeen members of the Library board were appointed by the City. The current joint powers agreement was effective beginning July 1, 2007. After June 30, 2010, any party may withdraw from the Authority upon no less than one year's written notice. Upon withdrawal a party shall retain ownership of those capital facilities to which it holds title. The City is committed to fund annual contributions to operate library branches in the City. The City's General Fund and Measure U Fund contributions for the fiscal year ended June 30, 2019, were \$9,886. In addition, the City paid cost reimbursements and program support of \$142 to the library during the same period. The City also contributed the use of its library facilities to the Library. In order to provide funding for additional services and hours in City libraries, the City levies and passes through to the Library a parcel tax, which totaled \$7,846 for the fiscal year ended June 30, 2019. Financial statements may be obtained from the Sacramento Public Library Authority, 828 I Street, Sacramento, California, 95814.

Sacramento Regional Fire/EMS Communication Center

The City is a participant with Sacramento Metropolitan Fire District and other local fire agencies in the Sacramento Regional Fire/EMS Communication Center (SRFECC), a fire dispatch center. SRFECC provides fire protection and emergency medical service dispatching for 1,000 square miles and 1.3 million residents in Sacramento and Placer Counties. The City provided \$3,976 of support to SRFECC during the fiscal year ended June 30, 2019. Financial statements may be obtained from the Sacramento Regional Fire/EMS Communication Center, 10230 Systems Parkway, Sacramento, California, 95827.

Northern California Regional Public Safety Training Authority

The City is a participant with the County of Sacramento, the Los Rios Community College District and the Regional Fire and Rescue Authority in the Northern California Regional Public Safety Training Authority (NCRPSTA), which operates the Northern California Regional Public Safety Training College located at McClellan Park. During the fiscal year ended June 30, 2019, the City provided \$395 of annual support to the NCRPSTA. Payments for rent and training during the fiscal year ended June 30, 2019 were \$18. Financial statements may be obtained from the NCRPSTA Administrative Offices, 2409 Dean Street, Suite 119, McClellan, California, 95652.

California Fire and Rescue Training Authority

The City is a participant with the Sacramento Metropolitan Fire District and the California Governor's Office of Emergency Services in the California Fire and Rescue Training Authority, which provides training for fire and rescue personnel throughout the region as well as operating the California Regional Fire Academy. During the fiscal year ended June 30, 2019, the City provided general support of \$45, paid \$79 for training courses for City staff and provided staff support. Financial statements may be obtained from the California Fire and Rescue Training Authority Business Office, 10545 Armstrong Avenue, Suite 320, Mather, CA 95655.

Riverfront Joint Powers Authority

The City is a participant with the City of West Sacramento in the Riverfront Joint Powers Authority, formed in March 2017, to create, own and operate a fixed-rail streetcar system that would have operated within and between the two Cities. Initial bids for the project were received and exceeded the available project budget. A resolution was passed by City Council in October 2019 to develop an alternative plan with partnering agencies for a successor light rail transit project in place of the streetcar. The resolution also sought collaboration with the City of West Sacramento to identify the necessary steps to dissolve the Riverfront Joint Powers Authority.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 14 – JOINT VENTURES AND JOINTLY GOVERNED ORGANIZATIONS (Continued)

JOINTLY GOVERNED ORGANIZATIONS WITH RELATED PARTY TRANSACTIONS

The City participates in several jointly governed organizations for which it appoints a minority of board members. The City may also provide minor financial support or have other financial transactions with these organizations, but it does not have a financial interest in or responsibility to the organizations. The following organizations had financial transactions with the City during the fiscal year ended June 30, 2019:

The City provided \$110 in annual support and \$8 in project/program expenses to the Regional Water Authority.

The City provided \$163 in annual support to the Sacramento Groundwater Authority.

The City provided \$97 in annual support, \$11 in program expenses and \$512 for Downtown/Riverfront Transit Project to the Sacramento Area Council of Governments.

The City received \$472 of administration fees from the Sacramento Area Flood Control Agency (SAFCA) for collecting and transmitting permitting fees. The City also participates in several cost-sharing agreements with SAFCA for individual projects related to flood control. The City's portion of said projects is remitted directly to SAFCA or other suppliers of services.

The City received \$137 in Workforce Investment Act grants from the Sacramento Employee and Training Agency.

NOTE 15 – SUCCESSOR AGENCY TRUST FUND

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") which dissolved all redevelopment agencies in the State of California. Successor agencies are allocated property tax revenue in an amount necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full. In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011), all redevelopment agencies in the State of California were dissolved and ceased to operate as legal entity as of February 1, 2012.

On January 31, 2012, the City of Sacramento (City) elected to serve as the successor agency to the Redevelopment Agency of the City of Sacramento (Agency) for the Agency's non-housing assets and liabilities pursuant to the provisions of AB 1x26 (Chapter 5, Statutes of 2011). Also, on January 1, 2012, the City Council elected not to serve as the successor agency for the former redevelopment agency's housing assets and functions, but instead designated the City's Housing Authority to serve as the successor housing agency.

Prior to February 1, 2012, California Redevelopment Law provided tax increment financing as a source of revenue to redevelopment agencies to fund redevelopment activities. Once a redevelopment area was adopted, the former Agency could only receive tax increment to the extent that it could show on an annual basis that it has incurred indebtedness that must be repaid with tax increment. Due to the nature of redevelopment financing, the former Agency liabilities exceeded its assets. Therefore, the Agency historically carried a deficit, which was expected to be reduced as future tax increment revenues were received and used to repay its outstanding long-term debt. This deficit was transferred to the successor agency on February 1, 2012. At June 30, 2019, the successor agency had a deficit of \$213,632, which will be eliminated with future property tax revenue distributions from the Redevelopment Property Tax Trust Fund administered by the County Auditor-Controller.

On June 27, 2012, Assembly Bill 1484 was enacted. Under AB 1484 (Chapter 16, Statutes of 2012; Health and Safety Code section 34173, subdivision (g)), the dissolution law was clarified to provide that the Agency is a separate legal entity from the City. Also, AB 1484 provided that the Agency's bond fund assets can be expended in a manner consistent with the bond's covenants after compliance with certain requirements.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 15 – SUCCESSOR AGENCY TRUST FUND (Continued)

On September 20, 2013, the Agency received its Finding of Completion from the State Department of Finance (DOF) and is now able to spend the unencumbered bond funds in a manner consistent with the original bond covenants. Pursuant to Health and Safety Code (HSC) section 34179.7, the DOF has verified that RASA does not owe any amounts to the taxing entities as determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

On August 25, 2015, the State Department of Finance (DOF) approved the Agency’s Oversight Board action authorizing the Agency to refund certain outstanding tax-allocation obligations of the former Redevelopment Agency in accordance with Assembly Bill Nos. x1 26 and 1484. The Redevelopment Agency Successor Agency of the City of Sacramento (RASA) 2015 Tax Allocation Refunding Bonds, Series A (Tax-Exempt) and RASA 2015 Tax Allocation Refunding Bonds, Series B (Federally Taxable) were issued under the Indenture of Trust, dated as of October 1, 2015, to refund certain obligations of the former Redevelopment Agency of the City of Sacramento in the aggregate principal amount of \$119,360, to purchase a Municipal Bond Debt Service Reserve Insurance Policy from Build America Mutual Assurance Company for deposit in the Reserve Account, and to pay certain costs of issuance of the Bonds.

On October 6, 2015, the DOF approved the Agency’s Oversight Board action approving the Excess Bond Expenditure Plan, approving the Master Excess Bond Expenditure Agreement between the Agency and the City, authorizing the transfer of the unspent non-housing bond proceeds to the City, approving an Excess Housing Bond Expenditure Agreement between RASA and the Housing Authority, and authorizing the transfer of the housing bond proceeds to the Housing Authority of the City as the Housing Successor. The City is to finance public and private development projects previously planned by the Agency; and the Housing Authority is to use the funds for low-moderate income housing projects.

On December 31, 2015, DOF completed the review of RASA’s Long-Ranged Property Management Plan (LRPMP). DOF approved the use or disposition of all the properties listed in the LRPMP. The approved LRPMP will govern the disposition and use of all the real property assets of the former redevelopment agency.

As of June 30, 2019, contracts payable of \$15,875 reported in the private-purpose trust fund are allocations of the Sacramento Housing Redevelopment Agency’s (SHRA) OPEB and pension unfunded liabilities for the former redevelopment agency employees.

Capital Assets

The following is a summary of changes in capital assets for the year ended June 30, 2019:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated/amortized				
Land	\$ 7,601	\$ -	\$ (2,550)	\$ 5,051
Depreciable/amortizable capital assets				
Buildings and improvements	751	-	(518)	233
Less accumulated depreciation/amortization for:				
Buildings and improvements	(184)	(12)	115	(81)
Depreciable/amortizable capital assets, net	567	(12)	(403)	152
Total activities capital assets, net	<u>\$ 8,168</u>	<u>\$ (12)</u>	<u>\$ (2,953)</u>	<u>\$ 5,203</u>

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 15 – SUCCESSOR AGENCY TRUST FUND (Continued)

Long-term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2019:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds:					
2015 Tax Allocation Refunding Bonds TE, Series A	\$ 51,960	\$ -	\$ (8,004)	\$ 43,956 ⁽²⁾	\$ 3,205
2015 Tax Allocation Refunding Bonds TX, Series B	36,105	-	(11,705)	24,400 ⁽²⁾	7,470
Subtotal, revenue bonds	<u>88,065</u>	<u>-</u>	<u>(19,709)</u>	<u>68,356</u>	<u>10,675</u>
Notes Payable:					
2003 Del Paso TE TABS, Series A	5,511	329 ⁽¹⁾	(25)	5,815 ⁽²⁾	-
2005 Merged Downtown TE, Series A	131,944	7,385 ⁽¹⁾	(559)	138,770 ⁽²⁾	10,025
2005 Oak Park TE, Series A	3,485	193 ⁽¹⁾	(15)	3,663 ⁽²⁾	-
2006 65th Street TX Master Lease, Series B	3,390	-	(100)	3,290	105
2006 North Sacramento TX Master Lease, Series B	3,960	-	(120)	3,840	125
2006 Stockton Blvd Master Lease	1,990	-	(20)	1,970	22
2008 BOA Public Capital Corporation	1,944	-	(152)	1,792	161
2009 Army Depot TX Swap	2,728	-	(83)	2,645	85
2009 River District TX Swap	2,552	-	(77)	2,475	80
Boating and Waterways Loan	98	-	(98)	-	-
City of Sacramento CIEDB - Utilities/Detention Basin	1,145	-	(42)	1,103	43
Globe Mills	3,293	-	(284)	3,009	301
North Sacramento CIEDB Loan	3,027	-	(129)	2,898	133
Stockton Blvd CIEDB Loan	2,526	-	(109)	2,417	112
Subtotal, notes payable	<u>167,593</u>	<u>7,907</u>	<u>(1,813)</u>	<u>173,687</u>	<u>11,192</u>
Total, long-term debt	<u><u>\$ 255,658</u></u>	<u><u>\$ 7,907</u></u>	<u><u>\$ (21,522)</u></u>	<u><u>\$ 242,043</u></u>	<u><u>\$ 21,867</u></u>

(1) Change in accreted value is recorded as adjustment of Notes Payable.

(2) 2015 Refunded and Refunding debts.

As of June 30, 2019, accumulated accretion for the 2003 Del Paso TE TABS, Series A, is \$3,290, and accumulated accretion for the 2005 Merged Downtown and Oak Park TE, Series A, is \$71,872.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2019
(dollar amounts expressed in thousands)

NOTE 15 – SUCCESSOR AGENCY TRUST FUND (Continued)

Future Debt Service Requirements

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending June 30,	Revenue Bonds		Notes Payable	
	Principal	Interest	Principal	Interest
2020	\$ 10,675	\$ 2,491	\$ 11,192	\$ 1,260
2021	19,855	1,984	1,491	1,202
2022	2,630	1,591	19,005	1,140
2023	2,560	1,461	19,227	1,070
2024	2,870	1,326	18,382	993
2025 - 2029	9,030	5,042	93,025	3,713
2030 - 2034	12,125	2,826	60,853	1,935
2035 - 2038	4,500	168	16,814	319
Subtotal	64,245	16,889	239,989	11,632
Less: Unaccreted interest	-	-	(66,302)	-
Less: Issuance discounts	(15)	-	-	-
Plus: Issuance premiums	4,126	-	-	-
Total	<u>\$ 68,356</u>	<u>\$ 16,889</u>	<u>\$ 173,687</u>	<u>\$ 11,632</u>

NOTE 16 – SERVICE CONCESSION ARRANGEMENT FOR CITY GOLF COURSES

Effective January 1, 2012, the City entered into a service concession agreement with Morton Golf LLC (Morton) under which Morton operates and maintains City golf courses, collects user fees and remits a monthly payment for rent to the City. Morton pays the City minimum installment payments plus a percentage of gross revenues over the 10-year lease period. The present value of the installment payments was initially estimated to be \$10,634. The City reports a loan receivable and deferred inflow of \$2,659 in the government-wide statement of net position as of June 30, 2019.

NOTE 17 – SPECIAL ITEMS

The City recognized one special item transaction in the governmental activities during the fiscal year ended June 30, 2019. The special item was recognized in the General fund totaling \$7,000 due to a settlement payment related to construction litigation for repairs to the Sacramento Valley Station Intermodal Transportation Facility passenger platforms.

The City recognized one special item transaction in business-type activities during the fiscal year ended June 30, 2019. The special item was recognized in the Water Fund totaling \$2,553 due to sale of water to San Juan Water District.

NOTE 18 – SUBSEQUENT EVENT

On August 22, 2019, the City issued the 2019 Sacramento Tourism Infrastructure District (STID) Assessment Revenue Bonds, as authorized by City Resolution 2019-0303. The STID Assessment Revenue Bonds were issued at total par of \$50,465 plus premium of \$4,893, to fund \$53,000 of project costs, \$1,469 of capitalized interest, and \$889 of costs of issuance. Project costs will include the acquisition and construction of a ballroom at the Sacramento Convention Center and related improvements.

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Required Supplementary Information

City of Sacramento
Required Supplementary Information
Agent Multiple-Employer Defined Benefit Pension Plan
CalPERS Miscellaneous Plan

Schedule of Changes in Net Pension Liability and Related Ratios
 Last Ten Years* (in thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
Total pension liability					
Service cost	\$ 23,110	\$ 22,342	\$ 23,374	\$ 27,795	\$ 28,404
Interest on the total pension liability	70,942	74,835	79,515	84,334	89,060
Changes of assumptions	-	(20,153)	-	75,970	(7,898)
Differences between expected and actual experience	-	(8,865)	(333)	(838)	6,909
Benefit payments, including refunds of employee contributions	(30,240)	(34,390)	(37,980)	(42,305)	(48,384)
Net change in total pension liability	63,812	33,769	64,576	144,956	68,091
Total pension liability -- beginning	949,465	1,013,277	1,047,046	1,111,622	1,256,578
Total pension liability -- ending (a)	\$ 1,013,277	\$ 1,047,046	\$ 1,111,622	\$ 1,256,578	\$ 1,324,669
Plan fiduciary net position					
Contributions - employer	\$ 21,613	\$ 22,827	\$ 25,963	\$ 28,719	\$ 29,514
Contributions - employee	11,670	11,302	11,991	12,190	12,634
Net investment income	118,326	18,047	4,260	91,481	76,768
Benefit payments, including refunds of employee contributions	(30,240)	(34,390)	(37,980)	(42,305)	(48,384)
Plan to plan resource movement	-	(3,066)	531	74	(2)
Administrative expense	-	(922)	(496)	(1,209)	(1,413)
Other Miscellaneous Expense	-	-	-	-	(2,683)
Net change in fiduciary net position	121,369	13,798	4,269	88,950	66,434
Plan fiduciary net position -- beginning	678,261	799,630	813,428	817,697	906,647
Plan fiduciary net position -- ending (b)	\$ 799,630	\$ 813,428	\$ 817,697	\$ 906,647	\$ 973,081
Net pension liability -- ending (a) - (b)	\$ 213,647	\$ 233,618	\$ 293,925	\$ 349,931	\$ 351,588
Plan fiduciary net position as a percentage of the total pension liability	78.92%	77.69%	73.56%	72.15%	73.46%
Covered payroll **	\$ 156,032	\$ 157,449	\$ 166,403	\$ 176,795	\$ 181,331
Net pension liability as a percentage of covered payroll	136.93%	148.38%	176.63%	197.93%	193.89%
Measurement date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018

Notes to the Required Supplementary Information

* Fiscal year 2015 was the first year of implementation, therefore, only five years are shown.

** Covered payroll was restated during fiscal year 2016 to reflect the implementation of GASB 82.

City of Sacramento
Required Supplementary Information
Agent Multiple-Employer Defined Benefit Pension Plan
CalPERS Miscellaneous Plan
Schedule of Contributions
Last Ten Years* (in thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
Actuarially determined contributions	\$ 22,711	\$ 26,156	\$ 30,084	\$ 26,947	\$ 33,664
Contributions in relation to the actuarially determined contribution	22,711	26,156	30,084	26,947	33,664
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll **	\$ 157,449	\$ 166,403	\$ 176,795	\$ 181,331	\$ 189,689
Contributions as a percentage of covered payroll	14.42%	15.72%	17.02%	14.86%	17.75%

Notes to the Required Supplementary Information

Valuation date: 6/30/2012 6/30/2013 6/30/2014 6/30/2015 6/30/2016

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal cost method
Amortization method	Level percentage of payroll
Asset valuation method	15 year smoothed market
Inflation	2.5%
Salary Increase	3.3% to 14.2% depending on Age, Service, and type of employment
Investment rate of return	7.5% (net of administrative expenses)
Retirement age	50 - 67 years
Mortality	Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board, first used in the June 30, 2009 valuation

* Fiscal year 2015 was the first year of implementation, therefore, only five years are shown.

** Covered payroll was restated during fiscal year 2016 to reflect the implementation of GASB 82.

City of Sacramento
Required Supplementary Information
Agent Multiple-Employer Defined Benefit Pension Plan
CalPERS Safety Plan

Schedule of Changes in Net Pension Liability and Related Ratios
 Last Ten Years* (in thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
Total pension liability					
Service cost	\$ 29,539	\$ 29,653	\$ 31,672	\$ 37,372	\$ 38,386
Interest on the total pension liability	107,189	112,331	118,821	123,132	127,930
Changes of assumptions	-	(28,604)	-	107,046	(17,242)
Differences between expected and actual experience	-	(593)	14,398	(15,086)	3,954
Benefit payments, including refunds of employee contributions	(66,215)	(70,545)	(74,572)	(78,232)	(82,999)
Net change in total pension liability	70,513	42,242	90,319	174,232	70,029
Total pension liability -- beginning	1,447,520	1,518,033	1,560,275	1,650,594	1,824,826
Total pension liability -- ending (a)	\$ 1,518,033	\$ 1,560,275	\$ 1,650,594	\$ 1,824,826	\$ 1,894,855
Plan fiduciary net position					
Contributions - employer	\$ 27,935	\$ 30,798	\$ 36,001	\$ 40,609	\$ 41,588
Contributions - employee	16,094	15,565	18,465	18,980	21,564
Net investment income	171,795	25,341	4,971	125,586	104,661
Benefit payments, including refunds of employee contributions	(66,215)	(70,545)	(74,572)	(78,232)	(82,999)
Plan to plan resource movement	-	1	-	(74)	(4)
Administrative expense	-	(1,288)	(697)	(1,665)	(1,922)
Other Miscellaneous Expense	-	-	-	-	(3,650)
Net change in fiduciary net position	149,609	(128)	(15,832)	105,204	79,238
Plan fiduciary net position -- beginning	994,493	1,144,102	1,143,974	1,128,142	1,233,346
Plan fiduciary net position -- ending (b)	\$ 1,144,102	\$ 1,143,974	\$ 1,128,142	\$ 1,233,346	\$ 1,312,584
Net pension liability -- ending (a) - (b)	\$ 373,931	\$ 416,301	\$ 522,452	\$ 591,480	\$ 582,271
Plan fiduciary net position as a percentage of the total pension liability	75.37%	73.32%	68.35%	67.59%	69.27%
Covered payroll **	\$ 107,176	\$ 112,067	\$ 120,120	\$ 126,438	\$ 132,206
Net pension liability as a percentage of covered payroll	348.89%	371.48%	434.94%	467.80%	440.43%
Measurement date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018

Notes to the Required Supplementary Information

* Fiscal year 2015 was the first year of implementation, therefore, only five years are shown.

** Covered payroll was restated during fiscal year 2016 to reflect the implementation of GASB 82.

City of Sacramento
Required Supplementary Information
Agent Multiple-Employer Defined Benefit Pension Plan
CalPERS Safety Plan
Schedule of Contributions
Last Ten Years* (in thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
Actuarially determined contributions	\$ 36,638	\$ 40,959	\$ 47,222	\$ 49,102	\$ 56,327
Contributions in relation to the actuarially determined contribution	36,638	40,959	47,222	49,102	56,327
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll **	\$ 112,067	\$ 120,120	\$ 126,438	\$ 132,206	\$ 140,840
Contributions as a percentage of covered payroll	32.69%	34.10%	37.35%	37.14%	39.99%

Notes to the Required Supplementary Information

Valuation date: 6/30/2012 6/30/2013 6/30/2014 6/30/2015 6/30/2016

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal cost method
Amortization method	Level percentage of payroll
Asset valuation method	15 year smoothed market
Inflation	2.5%
Salary Increase	3.3% to 14.2% depending on age, service, and type of employment
Investment rate of return	7.5% (net of administrative expenses)
Retirement age	50 - 67 years
Mortality	Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board, first used in the June 30, 2009 valuation

* Fiscal year 2015 was the first year of implementation, therefore, only five years are shown.

** Covered payroll was restated during fiscal year 2016 to reflect the implementation of GASB 82.

City of Sacramento
Required Supplementary Information
Sacramento City Employees' Retirement System,
a Single-Employer Defined Benefit Pension Plan
Schedule of Changes in Net Pension Liability and Related Ratios
Last Ten Years* (in thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
Total pension liability					
Service cost	\$ 131	\$ 103	\$ 96	\$ 92	\$ 66
Interest on the total pension liability	23,134	23,416	22,759	20,877	20,095
Changes of assumptions	23,117	-	(16,246)	862	(927)
Differences between expected and actual experience	(8,783)	(1,173)	(3,701)	(2,457)	304
Benefit payments, including refunds of employee contributions	(33,791)	(32,683)	(32,171)	(31,583)	(31,134)
Net change in total pension liability	<u>3,808</u>	<u>(10,337)</u>	<u>(29,263)</u>	<u>(12,209)</u>	<u>(11,596)</u>
Total pension liability -- beginning	372,670	376,478	366,141	336,878	324,669
Total pension liability -- ending (a)	<u>\$ 376,478</u>	<u>\$ 366,141</u>	<u>\$ 336,878</u>	<u>\$ 324,669</u>	<u>\$ 313,073</u>
Plan fiduciary net position					
Contributions - employer	\$ 9,183	\$ 8,645	\$ 8,645	\$ 8,645	\$ 7,507
Contributions - employee	82	146	63	55	49
Net investment income	13,375	7,799	26,803	20,982	18,537
Benefits payments, including refunds of employee contributions	(33,791)	(32,683)	(32,171)	(31,583)	(31,134)
Net change in fiduciary net position	<u>(11,151)</u>	<u>(16,093)</u>	<u>3,340</u>	<u>(1,901)</u>	<u>(5,041)</u>
Plan fiduciary net position -- beginning	312,414	301,263	285,170	288,510	286,609
Plan fiduciary net position -- ending (b)	<u>\$ 301,263</u>	<u>\$ 285,170</u>	<u>\$ 288,510</u>	<u>\$ 286,609</u>	<u>\$ 281,568</u>
Net pension liability -- ending (a) - (b)	<u>\$ 75,215</u>	<u>\$ 80,971</u>	<u>\$ 48,368</u>	<u>\$ 38,060</u>	<u>\$ 31,505</u>
Plan fiduciary net position as a percentage of the total pension liability	80.02%	77.89%	85.64%	88.28%	89.94%
Covered payroll **	<u>\$ 1,180</u>	<u>\$ 1,020</u>	<u>\$ 1,049</u>	<u>\$ 921</u>	<u>\$ 678</u>
Net pension liability as a percentage of covered payroll	6374.15%	7938.33%	4610.87%	4132.46%	4646.76%
Measurement date	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019

Notes to the Required Supplementary Information

* Fiscal year 2015 was the first year of implementation, therefore, only five years are shown.

** Covered payroll was restated during fiscal year 2016 to reflect the implementation of GASB 82.

City of Sacramento
Required Supplementary Information
Sacramento City Employees' Retirement System,
a Single-Employer Defined Benefit Pension Plan

Schedule of Contributions
 Last Ten Years* (in thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
Actuarially determined contributions	\$ 9,183	\$ 8,645	\$ 8,330	\$ 8,267	\$ 5,268
Contributions in relation to the actuarially determined contribution	9,183	8,645	8,645	8,645	7,507
Contribution deficiency (excess)	\$ -	\$ -	\$ (315)	\$ (378)	\$ (2,239)
Covered payroll **	\$ 1,180	\$ 1,020	\$ 1,049	\$ 921	\$ 678
Contributions as a percentage of covered payroll	778%	848%	824%	939%	1107%

Notes to the Required Supplementary Information

Valuation date: 6/30/2013 6/30/2014 6/30/2015 6/30/2016 6/30/2017

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar payments over 13 years, open period
Asset valuation method	3 year smoothed market value
Inflation	2.75%
Salary increases	3.25%
Investment rate of return	6.50%
Retirement age	Deferred vested members covered under Section 399 are assumed to retire at age 62; those covered under 175 are assumed to retire at age 65
Mortality	CalPERS 1997-2011 Mortality Tables with Scale MP-2016

* Fiscal year 2015 was the first year of implementation, therefore, only five years are shown.

** Covered payroll was restated during fiscal year 2016 to reflect the implementation of GASB 82.

City of Sacramento
Required Supplementary Information

Schedule of Changes in Net OPEB Liability and Related Ratios
 Last Ten Years* (in thousands)

	Fiscal Year	
	2018	2019
Total OPEB liability		
Service cost	\$ 11,872	\$ 11,052
Interest on the total OPEB liability	15,313	16,612
Changes of assumptions	(24,429)	(30,845)
Benefit payments	(12,565)	(12,903)
Net change in total OPEB liability	(9,809)	(16,084)
Total OPEB liability -- beginning	425,766	415,957
Total OPEB liability -- ending (a)	<u>\$ 415,957</u>	<u>\$ 399,873</u>
 Plan fiduciary net position		
Contributions - employer	\$ 21,605	\$ 21,072
Contributions - employee	297	308
Net investment income	2,034	2,156
Benefit payments	(12,565)	(12,903)
Administrative expense	(10)	(51)
Net change in fiduciary net position	11,361	10,582
Plan fiduciary net position -- beginning	15,084	26,445
Plan fiduciary net position -- ending (b)	<u>\$ 26,445</u>	<u>\$ 37,027</u>
 Net OPEB liability -- ending (a) - (b)	<u>\$ 389,512</u>	<u>\$ 362,846</u>
 Plan fiduciary net position as a percentage of the total OPEB liability	6.36%	9.26%
 Covered-employee payroll	<u>\$ 237,926</u>	<u>\$ 236,885</u>
 Net OPEB liability as a percentage of covered payroll	163.71%	153.17%
 Measurement date	June 30, 2017	June 30, 2018

Notes to the Required Supplementary Information

* Fiscal year 2018 was the first year of implementation, therefore, only two years are shown.

City of Sacramento
Required Supplementary Information

OPEB Schedule of Contributions
 Last Ten Years* (in thousands)

	Fiscal Year	
	2018	2019
Actuarially determined contributions	\$ 36,393	\$ 34,454
Contributions in relation to the actuarially determined contribution	21,072	18,406
Contribution deficiency (excess)	15,321	16,048
Covered-employee payroll	\$ 236,885	\$ 245,622
Contributions as a percentage of covered payroll	8.90%	7.49%

Notes to the Required Supplementary Information

Valuation date: 6/30/2016 6/30/2017

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal cost method
Amortization method	Level percentage of payroll over a closed rolling 18 year period
Asset valuation method	Market value
Inflation	2.75%
Salary Increase	3%
Investment rate of return	6.75%
Healthcare cost trend rate	Non- Medicare - 7.5% for 2019, decreasing to 4% for 2076 and later Medicare - 6.5% for 2019, decreasing to 4% for 2076 and later
Mortality	Mortality assumptions are based on mortality rates resulting from the CalPERS 1997-2011 Experience Study and SCERS June 30, 2017 valuation assumptions

* Fiscal year 2018 was the first year of implementation, therefore, only two years are shown.

OTHER GOVERNMENTAL FUNDS

Other governmental funds are nonmajor funds reported in the other governmental funds column of the governmental funds financial statements and include:

OTHER SPECIAL REVENUE FUNDS are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. These funds are generally required by statute, charter or ordinance to finance specific governmental functions. The individual funds are listed in the other special revenue funds section of the CAFR.

OTHER DEBT SERVICE FUNDS are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest, or that are being accumulated for principal and interest maturing in future years. The individual funds are listed in the other debt service funds section of the CAFR.

OTHER CAPITAL PROJECTS FUNDS are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for governmental capital assets. The individual funds are listed in the other capital projects funds section of the CAFR.

PERMANENT FUNDS are used to account for and report resources that are held by the City which are legally restricted to the extent that only earnings may be used for purposes that support City programs. The individual funds are listed in the permanent funds section of the CAFR.

City of Sacramento
Other Governmental Funds
Combining Balance Sheet

June 30, 2019
(in thousands)

	Other Special Revenue Funds	Other Debt Service Funds	Other Capital Projects Funds	Permanent Funds	Total Other Governmental Funds
ASSETS					
Cash and investments held by City	\$ 149,618	\$ 4,460	\$ 153,791	\$ 6,180	\$ 314,049
Cash and investments held by fiscal agent	13	238	-	-	251
Receivables, net:					
Taxes	5,733	-	-	-	5,733
Accounts	4,066	2	4,107	-	8,175
Loans	1,802	-	-	-	1,802
Intergovernmental	4,733	13,086	11,224	-	29,043
Interest	273	3	369	14	659
Prepaid items	6	-	-	-	6
Restricted assets:					
Cash and investments held by City	130	-	15,091	-	15,221
Cash and investments held by fiscal agent	732	9,704	300	-	10,736
Total assets	\$ 167,106	\$ 27,493	\$ 184,882	\$ 6,194	\$ 385,675
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 7,652	\$ -	\$ 8,404	\$ -	\$ 16,056
Accrued payroll	78	-	-	-	78
Accrued claims and judgements	31	-	-	-	31
Matured notes and interest payable	3,521	-	-	-	3,521
Due to other funds	-	-	1,231	-	1,231
Deposits	3,867	827	-	-	4,694
Unearned revenue	247	-	4,390	-	4,637
Advances from other funds	6,692	-	-	-	6,692
Total liabilities	22,088	827	14,025	-	36,940
Deferred inflows of resources:					
Unavailable revenue	4,577	13,086	9,307	-	26,970
Fund balances:					
Nonspendable:					
Permanent fund principal	-	-	-	878	878
Restricted:					
Capital projects	18,882	-	164,890	-	183,772
Debt service	862	8,877	-	-	9,739
Public works programs	22,071	-	-	-	22,071
Economic development programs	48,878	-	-	-	48,878
Other programs	40,051	-	2,636	5,316	48,003
Committed:					
Capital projects	1,210	-	-	-	1,210
Debt service	-	2,636	-	-	2,636
Other programs	20,946	-	-	-	20,946
Assigned:					
Debt service	-	2,066	-	-	2,066
Unrealized investment gains	-	-	51	-	51
Other programs	87	1	-	-	88
Unassigned	(12,546)	-	(6,027)	-	(18,573)
Total fund balances	140,441	13,580	161,550	6,194	321,765
Total liabilities, deferred inflows of resources and fund balances	\$ 167,106	\$ 27,493	\$ 184,882	\$ 6,194	\$ 385,675

City of Sacramento
Other Governmental Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2019
(in thousands)

	Other Special Revenue Funds	Other Debt Service Funds	Other Capital Projects Funds	Permanent Funds	Total Other Governmental Funds
Revenues:					
Taxes	\$ 8,895	\$ -	\$ 3,688	\$ -	\$ 12,583
Intergovernmental	35,899	400	45,009	-	81,308
Charges for services	20,633	-	2,004	-	22,637
Fines, forfeits and penalties	433	-	-	-	433
Interest, rents, and concessions	5,370	2,846	4,493	603	13,312
Community service fees	1,338	-	29,313	-	30,651
Assessment levies	48,592	-	3,528	-	52,120
Contributions and donations	10,339	32,733	5,913	-	48,985
Miscellaneous	182	-	-	-	182
	<u>131,681</u>	<u>35,979</u>	<u>93,948</u>	<u>603</u>	<u>262,211</u>
Total revenues					
Expenditures:					
Current:					
General government	26,866	-	1,028	158	28,052
Police	4,708	-	-	-	4,708
Fire	2,514	-	-	-	2,514
Public works	25,800	-	9,938	-	35,738
Convention and cultural services	9,394	-	-	-	9,394
Youth, parks, and community enrichment	8,688	-	162	-	8,850
Community development	13,614	-	4,418	-	18,032
Library	7,846	-	-	-	7,846
Utilities	210	-	-	-	210
Capital outlay	8,532	-	44,543	-	53,075
Debt service:					
Principal	1,417	46,053	4,161	-	51,631
Interest and fiscal charges	950	12,796	1,325	-	15,071
	<u>110,539</u>	<u>58,849</u>	<u>65,575</u>	<u>158</u>	<u>235,121</u>
Total expenditures					
Excess (deficiency) of revenues over (under) expenditures	<u>21,142</u>	<u>(22,870)</u>	<u>28,373</u>	<u>445</u>	<u>27,090</u>
Other financing sources (uses):					
Transfers in	1,435	22,630	114	-	24,179
Transfers out	(3,507)	(86)	(1,412)	-	(5,005)
Issuance of long-term debt	-	-	1,325	-	1,325
	<u>(2,072)</u>	<u>22,544</u>	<u>27</u>	<u>-</u>	<u>20,499</u>
Total other financing sources (uses)					
Changes in fund balances	19,070	(326)	28,400	445	47,589
Fund balances, beginning of year	<u>121,371</u>	<u>13,906</u>	<u>133,150</u>	<u>5,749</u>	<u>274,176</u>
Fund balances, end of year	<u>\$ 140,441</u>	<u>\$ 13,580</u>	<u>\$ 161,550</u>	<u>\$ 6,194</u>	<u>\$ 321,765</u>

OTHER SPECIAL REVENUE FUNDS

Other Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. These funds are generally required by statute, charter or ordinance to finance specific government functions. The following other special revenue funds have been classified as nonmajor funds:

THE TRANSPORTATION AND DEVELOPMENT FUND is used to account for the receipts of taxes and fees which are used to maintain and repair streets, bridges and bikeways as well as for traffic safety and community development activities.

THE CULTURE AND LEISURE FUND is used to account for a variety of cultural arts and leisure activities. Programs in the Culture and Leisure Fund include the Sacramento Zoo, Fairytale Town, Art in Public Places, Old Sacramento Market, H Street Theatre, Golf, Marina, the Crocker Master Trust, the Winchester G. and Mary Alice Felt Endowment, Marcy Friedman Art in Public Places, and Arts and Culture.

THE PARKS AND RECREATION FUND is used to account for a variety of parks programs and recreation activities. Programs in the Parks and Recreation Fund include START, Special Program Donations, Ethel MacLeod Hart Trust, Land Park and Quimby.

THE ECONOMIC DEVELOPMENT FUND is used to account for the receipts and disbursements of former redevelopment property tax revenues as well as the Brownfield Revolving Loan Program and the Sheraton Master Owner Participation Agreement (MOPA).

THE OPERATING GRANTS FUND is used to account for federal, state and other agency grants received for various specific purposes.

THE CCOMWP FUND is used to account for the revenue and expenditures associated with the City/County Office of Metropolitan Water Planning. The CCOMWP was formed to develop the Water Forum Agreement with objectives to provide a reliable water supply for planned development to the year 2030, and to preserve the region's Lower American River.

OTHER SPECIAL REVENUE FUNDS (continued)

THE SPECIAL DISTRICTS SPECIAL REVENUE FUND is used to account for a variety of programs that provide infrastructure maintenance and other services for specific areas of the City where special assessments or special taxes are levied. The Special Districts Special Revenue Fund includes the Business Improvement Districts Program, the Landscaping and Lighting Districts Program, the Maintenance Benefit Area Program and the Assessment District Maintenance Program.

THE CAL EPA FUND is used to account for the expenditures associated with the maintenance of the Joe Serna, Jr. California EPA Headquarters Building.

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City of Sacramento
Other Special Revenue Funds
Combining Balance Sheet

June 30, 2019

(in thousands)

	Transportation and Development Fund	Culture and Leisure Fund	Parks and Recreation Fund	Economic Development Fund
ASSETS				
Cash and investments held by City	\$ 51,736	\$ 5,264	\$ 9,509	\$ 43,273
Cash and investments held by fiscal agent	-	13	-	-
Receivables, net:				
Taxes	-	-	-	5,732
Accounts	1,472	237	7	-
Loans	-	-	-	1,802
Intergovernmental	-	-	31	-
Interest	155	-	2	116
Prepaid items	-	3	1	-
Restricted assets:				
Cash and investments held by City	-	130	-	-
Cash and investments held by fiscal agent	-	732	-	-
Total assets	\$ 53,363	\$ 6,379	\$ 9,550	\$ 50,923
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,452	\$ 27	\$ 195	\$ 190
Accrued payroll	-	23	-	25
Accrued claims and judgements	-	-	31	-
Matured notes and interest payable	-	3,521	-	-
Deposits	1,792	149	-	1,830
Unearned revenue	-	21	-	-
Advances from other funds	-	6,692	-	-
Total liabilities	3,244	10,433	226	2,045
Deferred Inflows of resources:				
Unavailable revenue	104	47	-	-
Fund balances:				
Restricted:				
Capital projects	8,559	49	5,605	-
Debt service	-	862	-	-
Public works programs	22,071	-	-	-
Economic development programs	-	-	-	48,878
Other programs	-	1,629	3,232	-
Committed:				
Capital projects	202	521	-	-
Other programs	19,183	978	418	-
Assigned:				
Other programs	-	-	69	-
Unassigned	-	(8,140)	-	-
Total fund balances (deficit)	50,015	(4,101)	9,324	48,878
Total liabilities, deferred inflows of resources and fund balances	\$ 53,363	\$ 6,379	\$ 9,550	\$ 50,923

City of Sacramento
Other Special Revenue Funds
Combining Balance Sheet

June 30, 2019

(in thousands)

	Operating Grants Fund	CCOMWP Fund	Special Districts Fund	Cal EPA Fund	Total Other Special Revenue Funds
ASSETS					
Cash and investments held by City	\$ 17,707	\$ 1,816	\$ 18,868	\$ 1,445	\$ 149,618
Cash and investments held by fiscal agent	-	-	-	-	13
Receivables, net:					
Taxes	-	-	1	-	5,733
Accounts	587	137	1,626	-	4,066
Loans	-	-	-	-	1,802
Intergovernmental	4,691	11	-	-	4,733
Interest	-	-	-	-	273
Prepaid items	2	-	-	-	6
Restricted assets:					
Cash and investments held by City	-	-	-	-	130
Cash and investments held by fiscal agent	-	-	-	-	732
Total assets	\$ 22,987	\$ 1,964	\$ 20,495	\$ 1,445	\$ 167,106
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 3,057	\$ 165	\$ 1,975	\$ 591	\$ 7,652
Accrued payroll	-	30	-	-	78
Accrued claims and judgements	-	-	-	-	31
Matured notes and interest payable	-	-	-	-	3,521
Deposits	96	-	-	-	3,867
Unearned revenue	226	-	-	-	247
Advances from other funds	-	-	-	-	6,692
Total liabilities	3,379	195	1,975	591	22,088
Deferred Inflows of resources:					
Unavailable revenue	4,405	21	-	-	4,577
Fund balances:					
Restricted:					
Capital projects	-	-	4,669	-	18,882
Debt service	-	-	-	-	862
Public works programs	-	-	-	-	22,071
Economic development programs	-	-	-	-	48,878
Other programs	19,609	1,748	13,833	-	40,051
Committed:					
Capital projects	-	-	-	487	1,210
Other programs	-	-	-	367	20,946
Assigned:					
Other programs	-	-	18	-	87
Unassigned	(4,406)	-	-	-	(12,546)
Total fund balances (deficit)	15,203	1,748	18,520	854	140,441
Total liabilities, deferred inflows of resources and fund balances	\$ 22,987	\$ 1,964	\$ 20,495	\$ 1,445	\$ 167,106

City of Sacramento
Other Special Revenue Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2019
(in thousands)

	Transportation and Development Fund	Culture and Leisure Fund	Parks and Recreation Fund	Economic Development Fund
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 8,895
Intergovernmental	12,076	-	550	-
Charges for services	17,097	1,924	-	-
Fines, forfeits and penalties	433	-	-	-
Interest, rents, and concessions	1,671	1,453	511	916
Community service fees	318	-	1,020	-
Assessment levies	333	-	-	-
Contributions and donations	-	48	362	-
Miscellaneous	-	-	-	182
Total revenues	<u>31,928</u>	<u>3,425</u>	<u>2,443</u>	<u>9,993</u>
Expenditures:				
Current:				
General government	-	-	-	2,267
Police	-	-	-	-
Fire	-	-	-	-
Public works	11,140	-	-	-
Convention and cultural services	-	1,520	-	-
Youth, parks, and community enrichment	-	-	1,901	-
Community development	13,150	-	-	-
Library	-	-	-	-
Utilities	-	-	-	-
Capital outlay	2,460	39	813	1,568
Debt service:				
Principal	-	1,417	-	-
Interest and fiscal charges	-	950	-	-
Total expenditures	<u>26,750</u>	<u>3,926</u>	<u>2,714</u>	<u>3,835</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,178</u>	<u>(501)</u>	<u>(271)</u>	<u>6,158</u>
Other financing sources (uses):				
Transfers in	-	439	466	-
Transfers out	<u>(1,042)</u>	<u>-</u>	<u>(13)</u>	<u>(2,200)</u>
Total other financing sources (uses)	<u>(1,042)</u>	<u>439</u>	<u>453</u>	<u>(2,200)</u>
Changes in fund balances	4,136	(62)	182	3,958
Fund balances (deficit), beginning of year	<u>45,879</u>	<u>(4,039)</u>	<u>9,142</u>	<u>44,920</u>
Fund balances (deficit), end of year	<u>\$ 50,015</u>	<u>\$ (4,101)</u>	<u>\$ 9,324</u>	<u>\$ 48,878</u>

City of Sacramento
Other Special Revenue Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2019

(in thousands)

	Operating Grants Fund	CCOMWP Fund	Special Districts Fund	Cal EPA Fund	Total Other Special Revenue Funds
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 8,895
Intergovernmental	21,306	1,766	-	201	35,899
Charges for services	1,612	-	-	-	20,633
Fines, forfeits and penalties	-	-	-	-	433
Interest, rents, and concessions	252	46	484	37	5,370
Community service fees	-	-	-	-	1,338
Assessment levies	-	-	48,259	-	48,592
Contributions and donations	9,929	-	-	-	10,339
Miscellaneous	-	-	-	-	182
Total revenues	33,099	1,812	48,743	238	131,681
Expenditures:					
Current:					
General government	12,324	2,522	9,753	-	26,866
Police	4,708	-	-	-	4,708
Fire	2,514	-	-	-	2,514
Public works	86	-	14,573	1	25,800
Convention and cultural services	383	-	7,491	-	9,394
Youth, parks, and community enrichment	465	-	6,322	-	8,688
Community development	319	-	145	-	13,614
Library	-	-	7,846	-	7,846
Utilities	-	-	210	-	210
Capital outlay	1,967	-	512	1,173	8,532
Debt service:					
Principal	-	-	-	-	1,417
Interest and fiscal charges	-	-	-	-	950
Total expenditures	22,766	2,522	46,852	1,174	110,539
Excess (deficiency) of revenues over (under) expenditures	10,333	(710)	1,891	(936)	21,142
Other financing sources (uses):					
Transfers in	32	498	-	-	1,435
Transfers out	(252)	-	-	-	(3,507)
Total other financing sources (uses)	(220)	498	-	-	(2,072)
Changes in fund balances	10,113	(212)	1,891	(936)	19,070
Fund balances (deficit), beginning of year	5,090	1,960	16,629	1,790	121,371
Fund balances (deficit), end of year	<u>\$ 15,203</u>	<u>\$ 1,748</u>	<u>\$ 18,520</u>	<u>\$ 854</u>	<u>\$ 140,441</u>

City of Sacramento

Transportation and Development Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

- Budget and Actual

For the Fiscal Year Ended June 30, 2019

(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 11,364	\$ 11,364	\$ 12,076	\$ 712
Charges for services	2,992	7,379	7,204	(175)
Fines, forfeits and penalties	500	500	433	(67)
Interest, rents, and concessions	28	28	1,414	1,386
Total revenues	14,884	19,271	21,127	1,856
Expenditures:				
Current:				
Public works	11,245	11,245	11,140	105
Community development	2,992	7,679	2,569	5,110
Capital outlay	2,362	2,362	1,832	530
Total expenditures	16,599	21,286	15,541	5,745
Excess (deficiency) of revenues over (under) expenditures	(1,715)	(2,015)	5,586	7,601
Other financing uses:				
Transfers out	-	-	(756)	(756)
Changes in fund balance for budgeted activities	(1,715)	(2,015)	4,830	6,845
Fund balance, beginning of year for budgeted activities	35,588	35,588	35,588	-
Fund balance, end of year for budgeted activities	<u>\$ 33,873</u>	<u>\$ 33,573</u>	40,418	<u>\$ 6,845</u>
Change in fund balance for Transportation and Development Special Revenue Fund activities for for which annual budgets are not adopted			(694)	
Fund balance, beginning of year for non-budgeted activities			10,291	
Fund balance, end of year			<u>\$ 50,015</u>	

City of Sacramento
Culture and Leisure Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
- Budget and Actual

For the Fiscal Year Ended June 30, 2019
(in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget-Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 1,426	\$ 1,418	\$ 1,924	\$ 506
Interest, rents and concessions	1,591	1,341	1,453	112
Contributions and donations	45	45	48	3
Total revenues	<u>3,062</u>	<u>2,804</u>	<u>3,425</u>	<u>621</u>
Expenditures:				
Current:				
Convention and cultural services	1,193	1,193	1,520	(327)
Capital outlay	680	869	39	830
Debt service:				
Principal	1,540	1,540	1,417	123
Interest and fiscal charges	1,021	1,021	950	71
Total expenditures	<u>4,434</u>	<u>4,623</u>	<u>3,926</u>	<u>697</u>
Deficiency of revenues under expenditures	(1,372)	(1,819)	(501)	1,318
Other financing sources:				
Transfers in	-	439	439	-
Changes in fund balance	(1,372)	(1,380)	(62)	1,318
Fund deficit, beginning of year	<u>(4,039)</u>	<u>(4,039)</u>	<u>(4,039)</u>	<u>-</u>
Fund deficit, end of year	<u>\$ (5,411)</u>	<u>\$ (5,419)</u>	<u>\$ (4,101)</u>	<u>\$ 1,318</u>

City of Sacramento

Parks and Recreation Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

- Budget and Actual

For the Fiscal Year Ended June 30, 2019

(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 612	\$ 607	\$ 550	\$ (57)
Interest, rents and concessions	45	45	63	18
Community service fees	46	46	56	10
Total revenues	703	698	669	(29)
Expenditures:				
Current:				
Youth, parks, and community enrichment	1,211	1,196	1,407	(211)
Deficiency of revenues under expenditures	(508)	(498)	(738)	(240)
Other financing sources:				
Transfers in	-	464	466	2
Changes in fund balance for budgeted activities	(508)	(34)	(272)	(238)
Fund balance, beginning of year for budgeted activities	759	759	759	-
Fund balance, end of year for budgeted activities	<u>\$ 251</u>	<u>\$ 725</u>	487	<u>\$ (238)</u>
Change in fund balance for Parks and Recreation Special Revenue Fund activities for which annual budgets are not adopted.			454	
Fund balance, beginning of year for non-budgeted activities			<u>8,383</u>	
Fund balance, end of year			<u>\$ 9,324</u>	

City of Sacramento
CCOMWP Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
- Budget and Actual

For the Fiscal Year Ended June 30, 2019
(in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget-Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 1,151	\$ 9,658	\$ 1,766	\$ (7,892)
Interest, rents and concessions	-	-	46	46
Total revenues	1,151	9,658	1,812	(7,846)
Expenditures:				
Current:				
General government	2,335	10,846	2,522	8,324
Deficiency of revenues under expenditures	(1,184)	(1,188)	(710)	478
Other financing sources:				
Transfers in	498	498	498	-
Changes in fund balance	(686)	(690)	(212)	478
Fund balance, beginning of year	1,960	1,960	1,960	-
Fund balance, end of year	<u>\$ 1,274</u>	<u>\$ 1,270</u>	<u>\$ 1,748</u>	<u>\$ 478</u>

City of Sacramento
Special Districts Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
- Budget and Actual

For the Fiscal Year Ended June 30, 2019
(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Interest, rents, and concessions	\$ 1	\$ 1	\$ 484	\$ 483
Assessment levies	46,821	47,730	48,259	529
Total revenues	46,822	47,731	48,743	1,012
Expenditures:				
Current:				
General government	9,699	9,929	9,753	176
Public works	15,205	15,305	14,573	732
Convention and cultural services	6,338	7,220	7,491	(271)
Youth, parks, and community enrichment	6,460	6,650	6,322	328
Community development	204	204	145	59
Library	7,949	7,949	7,846	103
Utilities	682	682	210	472
Capital outlay	5,043	5,310	512	4,798
Total expenditures	51,580	53,249	46,852	6,397
Changes in fund balance	(4,758)	(5,518)	1,891	7,409
Fund balance, beginning of year	16,629	16,629	16,629	-
Fund balance, end of year	\$ 11,871	\$ 11,111	\$ 18,520	\$ 7,409

City of Sacramento

Cal EPA Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

- Budget and Actual

For the Fiscal Year Ended June 30, 2019

(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 173	\$ 173	\$ 201	\$ 28
Interest, rents, and concessions	-	-	37	37
Total revenues	173	173	238	65
Expenditures:				
Current:				
Public Works	-	-	1	(1)
Capital outlay	587	587	1,173	(586)
Total expenditures	587	587	1,174	(587)
Changes in fund balance	(414)	(414)	(936)	(522)
Fund balance, beginning of year	1,790	1,790	1,790	-
Fund balance, end of year	\$ 1,376	\$ 1,376	\$ 854	\$ (522)

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OTHER DEBT SERVICE FUNDS

Other debt service funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest, or that are being accumulated for principal and interest maturing in future years. The following debt service funds have been classified as nonmajor funds:

THE 1993 SERIES A REVENUE BOND FUND is used to account for refunded debt service activities related to the City of Sacramento's 1986 COP issue and for the debt service activity related to the partial refunding of the City of Sacramento's 1991 Marks-Roos Revenue Bond issuance.

THE 1993 SERIES B REVENUE BOND FUND is used to account for refunded debt service activities related to the City of Sacramento's 1989 COP issuance.

THE 1997 LEASE REVENUE BOND FUND is used to account for debt service activities related to the acquisition and lease back of the sports and entertainment arena in North Natomas.

THE 2006 SERIES B REVENUE BOND FUND is used to account for debt service activities related to financing an arts rehearsal facility and other public capital improvements and redevelopment projects.

THE 2006 SERIES D REVENUE BOND FUND is used to account for debt service activities related to financing the City's new Richards Boulevard building and improvements.

THE 2006 SERIES E REVENUE BOND FUND is used to account for refunding debt service related to refinancing all of the 2001 Capital Improvement Revenue Bonds and a portion of the 2002 and 2003 Capital Improvement Revenue Bonds.

THE 2015 REFUNDING REVENUE BOND FUND is used to account for debt service activities related to the refunding of the outstanding 2002 Capital Improvement Revenue Bonds, 2003 Capital Improvement Revenue Bonds, 2005 Refunding Revenue Bonds, and the 2006 Capital Improvement Revenue Bonds Series A and C.

THE 2016 SPFA LEASE FINANCING (H STREET THEATER COMPLEX) FUND is used to account for debt service activities related to the refunding of the Sacramento Regional Arts Facilities 2002 Series Certificates of Participation (COPs).

THE OTHER CITY DEBT FUND is used to account for debt service activities related to the financing the other programs of the City.

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City of Sacramento
Other Debt Service Funds
Combining Balance Sheet

June 30, 2019

(in thousands)

	1993 Series A Revenue Bond Fund	1993 Series B Revenue Bond Fund	2006 Series B Revenue Bond Fund	2006 Series E Revenue Bond Fund
<u>ASSETS</u>				
Assets:				
Cash and investments held by City	\$ 27	\$ 33	\$ 2,490	\$ -
Cash and investments held by fiscal agent	26	63	144	2
Receivables, net:				
Accounts	-	-	-	-
Intergovernmental	-	-	11,116	1,970
Interest	1	2	-	-
Restricted assets:				
Cash and investments held by fiscal agent	1,208	3,313	3,952	-
Total assets	<u>\$ 1,262</u>	<u>\$ 3,411</u>	<u>\$ 17,702</u>	<u>\$ 1,972</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>				
Liabilities:				
Deposits	\$ -	\$ -	\$ -	\$ -
Deferred Inflows of resources:				
Unavailable revenue	-	-	11,116	1,970
Fund balances:				
Restricted:				
Debt service	1,208	3,313	3,952	-
Committed:				
Debt service	-	-	2,634	2
Assigned:				
Debt service	54	98	-	-
Other programs	-	-	-	-
Total fund balances	<u>1,262</u>	<u>3,411</u>	<u>6,586</u>	<u>2</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,262</u>	<u>\$ 3,411</u>	<u>\$ 17,702</u>	<u>\$ 1,972</u>

City of Sacramento
Other Debt Service Funds
Combining Balance Sheet

June 30, 2019

(in thousands)

	2015 Refunding Revenue Bond Fund	2016 SPFA Lease Financing Fund	Other City Debt Fund	Total Other Debt Service Funds
<u>ASSETS</u>				
Assets:				
Cash and investments held by City	\$ 1,909	\$ -	\$ 1	\$ 4,460
Cash and investments held by fiscal agent	3	-	-	238
Receivables, net:				
Accounts	2	-	-	2
Intergovernmental	-	-	-	13,086
Interest	-	-	-	3
Restricted assets:				
Cash and investments held by fiscal agent	-	1,231	-	9,704
Total assets	<u>\$ 1,914</u>	<u>\$ 1,231</u>	<u>\$ 1</u>	<u>\$ 27,493</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>				
Liabilities:				
Deposits	\$ -	\$ 827	\$ -	\$ 827
Deferred Inflows of resources:				
Unavailable revenue	-	-	-	13,086
Fund balances:				
Restricted:				
Debt service	-	404	-	8,877
Committed:				
Debt service	-	-	-	2,636
Assigned:				
Debt service	1,914	-	-	2,066
Other programs	-	-	1	1
Total fund balances	<u>1,914</u>	<u>404</u>	<u>1</u>	<u>13,580</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,914</u>	<u>\$ 1,231</u>	<u>\$ 1</u>	<u>\$ 27,493</u>

City of Sacramento
Other Debt Service Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2019

(in thousands)

	1993 Series A Revenue Bond Fund	1993 Series B Revenue Bond Fund	1997 Lease Revenue Bond Fund	2006 Series B Revenue Bond Fund	2006 Series D Revenue Bond Fund
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ 380	\$ -
Interest, rents, and concessions	55	149	921	1,068	-
Contributions and donations	-	-	32,733	-	-
Total revenues	<u>55</u>	<u>149</u>	<u>33,654</u>	<u>1,448</u>	<u>-</u>
Expenditures:					
Debt service:					
Principal	922	2,612	32,733	1,335	-
Interest and fiscal charges	133	376	972	2,623	-
Total expenditures	<u>1,055</u>	<u>2,988</u>	<u>33,705</u>	<u>3,958</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,000)</u>	<u>(2,839)</u>	<u>(51)</u>	<u>(2,510)</u>	<u>-</u>
Other financing sources:					
Transfers in	1,055	2,988	-	2,350	-
Transfers out	-	-	(83)	-	(3)
Total other financing sources (uses)	<u>1,055</u>	<u>2,988</u>	<u>(83)</u>	<u>2,350</u>	<u>(3)</u>
Changes in fund balances	55	149	(134)	(160)	(3)
Fund balances, beginning of year	<u>1,207</u>	<u>3,262</u>	<u>134</u>	<u>6,746</u>	<u>3</u>
Fund balances, end of year	<u>\$ 1,262</u>	<u>\$ 3,411</u>	<u>\$ -</u>	<u>\$ 6,586</u>	<u>\$ -</u>

City of Sacramento
Other Debt Service Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2019

(in thousands)

	2006 Series E Revenue Bond Fund	2015 Refunding Revenue Bond Fund	2016 SPFA Lease Financing Fund	Other City Debt Fund	Total Other Debt Service Funds
Revenues:					
Intergovernmental	\$ 20	\$ -	\$ -	\$ -	\$ 400
Interest, rents, and concessions	107	66	476	4	2,846
Contributions and donations	-	-	-	-	32,733
Total revenues	127	66	476	4	35,979
Expenditures:					
Debt service:					
Principal	403	7,500	450	98	46,053
Interest and fiscal charges	4,121	4,345	222	4	12,796
Total expenditures	4,524	11,845	672	102	58,849
Excess (deficiency) of revenues over (under) expenditures	(4,397)	(11,779)	(196)	(98)	(22,870)
Other financing sources:					
Transfers in	4,399	11,838	-	-	22,630
Transfers out	-	-	-	-	(86)
Total other financing sources (uses)	4,399	11,838	-	-	22,544
Changes in fund balances	2	59	(196)	(98)	(326)
Fund balances, beginning of year	-	1,855	600	99	13,906
Fund balances, end of year	\$ 2	\$ 1,914	\$ 404	\$ 1	\$ 13,580

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OTHER CAPITAL PROJECTS FUNDS

Other capital projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for governmental capital assets. The following capital projects funds have been classified as nonmajor funds:

THE GENERAL FUND CAPITAL PROJECTS FUND is used to account for the proceeds of bond issues and associated capital projects.

THE TRANSPORTATION AND DEVELOPMENT CAPITAL PROJECTS FUND is used to account for the receipts of taxes and fees which are used to construct transportation-related capital projects.

THE CROCKER ART MUSEUM EXPANSION FUND is used to account for contributions from the Crocker Art Museum Association (CAMA) and related expenditures for the museum expansion project.

THE CAPITAL GRANTS FUND is used to account for capital improvement program projects that are funded by parties outside of the City including the State and Federal governments.

THE FINANCING PLANS FUND is used to account for the construction of public infrastructure funded by developer impact fees authorized under financing plans.

THE SPECIAL DISTRICTS CAPITAL PROJECTS FUND is used to account for the proceeds of special assessment bond issues which are used in the construction of street lighting, curbs, gutters, sidewalks and drainage infrastructure.

THE ECONOMIC DEVELOPMENT FUND is used to account for the excess proceeds of Redevelopment Agency (RDA) pre-2011 non-housing bond issues and associated capital projects.

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City of Sacramento
Other Capital Projects Funds
Combining Balance Sheet

June 30, 2019
(in thousands)

	General Fund Capital Projects Fund	Transportation and Development Fund	Crocker Art Museum Expansion Fund	Capital Grants Fund
<u>ASSETS</u>				
Cash and investments held by City	\$ -	\$ 53,288	\$ -	\$ -
Receivables, net:				
Accounts	-	319	-	711
Interest	-	118	-	-
Intergovernmental	-	3,635	-	7,589
Restricted assets:				
Cash and investments held by City	347	-	145	31
Cash and investments held by fiscal agent	300	-	-	-
Total assets	<u>\$ 647</u>	<u>\$ 57,360</u>	<u>\$ 145</u>	<u>\$ 8,331</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 317	\$ 762	\$ -	\$ 3,626
Due to other funds	-	-	-	1,231
Unearned revenue	-	145	-	761
Total liabilities	<u>317</u>	<u>907</u>	<u>-</u>	<u>5,618</u>
Deferred Inflows of resources:				
Unavailable revenue	<u>-</u>	<u>1,392</u>	<u>-</u>	<u>4,953</u>
Fund balances:				
Restricted:				
Capital projects	330	56,135	145	2,713
Other programs	-	-	-	-
Assigned:				
Unrealized investment gains	-	-	-	-
Unassigned	-	(1,074)	-	(4,953)
Total fund balances (deficit)	<u>330</u>	<u>55,061</u>	<u>145</u>	<u>(2,240)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 647</u>	<u>\$ 57,360</u>	<u>\$ 145</u>	<u>\$ 8,331</u>

City of Sacramento
Other Capital Projects Funds
Combining Balance Sheet

June 30, 2019
(in thousands)

	Financing Plans Fund	Special Districts Fund	Economic Development Fund	Total Other Capital Projects Funds
ASSETS				
Cash and investments held by City	\$ 92,511	\$ 7,992	\$ -	\$ 153,791
Receivables, net:				
Accounts	3,073	4	-	4,107
Interest	251	-	-	369
Intergovernmental	-	-	-	11,224
Restricted assets:				
Cash and investments held by City	-	-	14,568	15,091
Cash and investments held by fiscal agent	-	-	-	300
Total assets	<u>\$ 95,835</u>	<u>\$ 7,996</u>	<u>\$ 14,568</u>	<u>\$ 184,882</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 3,681	\$ 7	\$ 11	\$ 8,404
Due to other funds	-	-	-	1,231
Unearned revenue	3,484	-	-	4,390
Total liabilities	<u>7,165</u>	<u>7</u>	<u>11</u>	<u>14,025</u>
Deferred Inflows of resources:				
Unavailable revenue	<u>2,962</u>	<u>-</u>	<u>-</u>	<u>9,307</u>
Fund balances:				
Restricted:				
Capital projects	83,021	7,989	14,557	164,890
Other programs	2,636	-	-	2,636
Assigned:				
Unrealized investment gains	51	-	-	51
Unassigned	-	-	-	(6,027)
Total fund balances (deficit)	<u>85,708</u>	<u>7,989</u>	<u>14,557</u>	<u>161,550</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 95,835</u>	<u>\$ 7,996</u>	<u>\$ 14,568</u>	<u>\$ 184,882</u>

City of Sacramento
Other Capital Projects Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2019
(in thousands)

	<u>General Fund Capital Projects Fund</u>	<u>Transportation and Development Fund</u>	<u>Crocker Art Museum Expansion Fund</u>	<u>Capital Grants Fund</u>
Revenues:				
Taxes	\$ -	\$ 3,688	\$ -	\$ -
Intergovernmental	-	31,389	-	13,223
Charges for services	-	1,893	-	-
Interest, rents, and concessions	159	1,254	18	80
Community service fees	-	-	-	-
Assessment levies	-	-	-	-
Contributions and donations	-	-	-	3,622
Total revenues	<u>159</u>	<u>38,224</u>	<u>18</u>	<u>16,925</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public works	-	9,776	-	109
Youth, parks, and community enrichment	-	-	-	-
Community development	-	-	-	-
Capital outlay	461	19,221	-	12,677
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>461</u>	<u>28,997</u>	<u>-</u>	<u>12,786</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(302)</u>	<u>9,227</u>	<u>18</u>	<u>4,139</u>
Other financing sources (uses):				
Transfers in	-	50	-	-
Transfers out	-	-	-	(80)
Issuance of long-term debt	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>50</u>	<u>-</u>	<u>(80)</u>
Changes in fund balances	<u>(302)</u>	<u>9,277</u>	<u>18</u>	<u>4,059</u>
Fund balances (deficit) , beginning of year	<u>632</u>	<u>45,784</u>	<u>127</u>	<u>(6,299)</u>
Fund balances (deficit) , end of year	<u>\$ 330</u>	<u>\$ 55,061</u>	<u>\$ 145</u>	<u>\$ (2,240)</u>

City of Sacramento
Other Capital Projects Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2019
(in thousands)

	Financing Plans Fund	Special Districts Fund	Economic Development Fund	Total Other Capital Projects Funds
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 3,688
Intergovernmental	-	-	397	45,009
Charges for services	111	-	-	2,004
Interest, rents, and concessions	2,374	213	395	4,493
Community service fees	29,313	-	-	29,313
Assessment levies	1,633	1,895	-	3,528
Contributions and donations	-	2,152	139	5,913
Total revenues	33,431	4,260	931	93,948
Expenditures:				
Current:				
General government	630	12	386	1,028
Public works	53	-	-	9,938
Youth, parks, and community enrichment	162	-	-	162
Community development	4,418	-	-	4,418
Capital outlay	8,110	3,270	804	44,543
Debt service:				
Principal	4,161	-	-	4,161
Interest and fiscal charges	1,325	-	-	1,325
Total expenditures	18,859	3,282	1,190	65,575
Excess (deficiency) of revenues over (under) expenditures	14,572	978	(259)	28,373
Other financing sources (uses):				
Transfers in	-	-	64	114
Transfers out	(1,332)	-	-	(1,412)
Issuance of long-term debt	1,325	-	-	1,325
Total other financing sources (uses)	(7)	-	64	27
Changes in fund balances	14,565	978	(195)	28,400
Fund balances (deficit) , beginning of year	71,143	7,011	14,752	133,150
Fund balances (deficit) , end of year	\$ 85,708	\$ 7,989	\$ 14,557	\$ 161,550

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PERMANENT FUNDS

Permanent funds are used to account for and report resources that are held by the City which are legally restricted to the extent that only earnings may be used for purposes that support City programs. The resources must be spent as provided in legal trust agreements and related state laws. The following permanent funds have been classified as nonmajor funds:

THE ANN LAND FUND is used to account for gifts to the City. The investment income is available to aid destitute persons in the City.

THE BERTHA HENSCHEL FUND is used to account for gifts to the City. The investment income is available to aid destitute persons in the City.

THE GEORGE CLARK SCHOLARSHIP FUND is used to account for an endowment established by George Clark, Mayor of Sacramento in 1900. The investment income is available to provide college scholarships for Sacramento high school seniors.

THE ALICE MILLER FUND is used to account for gifts to the City. The investment income is available to care for a specific area of the Old City Cemetery.

THE SACRAMENTO HISTORY MUSEUM FUND is used to account for gifts to the Museum. The investment income is available to help pay the operating expenses of the Museum.

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City of Sacramento
Permanent Funds
Combining Balance Sheet

June 30, 2019
(in thousands)

	<u>Ann Land Fund</u>	<u>Bertha Henschel Fund</u>	<u>George Clark Scholarship Fund</u>
<u>ASSETS</u>			
Cash and investments held by City	\$ 1,105	\$ 3,315	\$ 1,394
Receivables, net:			
Interest	<u>3</u>	<u>9</u>	<u>2</u>
Total assets	<u>\$ 1,108</u>	<u>\$ 3,324</u>	<u>\$ 1,396</u>
<u>FUND BALANCES</u>			
Fund balances:			
Nonspendable:			
Permanent fund principal	\$ 272	\$ 278	\$ 25
Restricted:			
Other programs	<u>836</u>	<u>3,046</u>	<u>1,371</u>
Total fund balances	<u>\$ 1,108</u>	<u>\$ 3,324</u>	<u>\$ 1,396</u>

City of Sacramento
Permanent Funds
Combining Balance Sheet

June 30, 2019
(in thousands)

	<u>Alice Miller Fund</u>	<u>Sacramento History Museum Fund</u>	<u>Total Permanent Funds</u>
<u>ASSETS</u>			
Cash and investments held by City	\$ 45	\$ 321	\$ 6,180
Receivables, net:			
Interest	-	-	14
Total assets	<u>\$ 45</u>	<u>\$ 321</u>	<u>\$ 6,194</u>
<u>FUND BALANCES</u>			
Fund balances:			
Nonspendable:			
Permanent fund principal	\$ 3	\$ 300	\$ 878
Restricted:			
Other programs	42	21	5,316
Total fund balances	<u>\$ 45</u>	<u>\$ 321</u>	<u>\$ 6,194</u>

City of Sacramento
Permanent Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2019
(in thousands)

	<u>Ann Land Fund</u>	<u>Bertha Henschel Fund</u>	<u>George Clark Scholarship Fund</u>
Revenues:			
Interest, rents, and concessions	\$ 118	\$ 354	\$ 123
Expenditures:			
Current:			
General government	<u>35</u>	<u>105</u>	<u>18</u>
Changes in fund balances	83	249	105
Fund balances, beginning of year	<u>1,025</u>	<u>3,075</u>	<u>1,291</u>
Fund balances, end of year	<u><u>\$ 1,108</u></u>	<u><u>\$ 3,324</u></u>	<u><u>\$ 1,396</u></u>

City of Sacramento
Permanent Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2019
(in thousands)

	<u>Alice Miller Fund</u>	<u>Sacramento History Museum Fund</u>	<u>Total Permanent Funds</u>
Revenues:			
Interest, rents, and concessions	\$ 1	\$ 7	\$ 603
Expenditures:			
Current:			
General government	-	-	158
Changes in fund balances	1	7	445
Fund balances, beginning of year	<u>44</u>	<u>314</u>	<u>5,749</u>
Fund balances, end of year	<u>\$ 45</u>	<u>\$ 321</u>	<u>\$ 6,194</u>

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OTHER ENTERPRISE FUNDS

Enterprise funds are used to account for self-supporting City programs that provide services on a user-fee basis to the general public. The following enterprise funds have been classified as nonmajor funds:

THE PARKING FUND is used to account for the operation and maintenance of the City's off-street parking facilities throughout the City.

THE 4th R CHILD DEVELOPMENT FUND is used to account for a program that provides school age child care services at various locations throughout the City.

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City of Sacramento
Other Enterprise Funds
Combining Statement of Net Position

June 30, 2019

(in thousands)

	Parking Fund	4th R Child Development Fund	Total Other Enterprise Funds
<u>ASSETS</u>			
Current assets:			
Cash and investments held by City	\$ 25,112	\$ 3,374	\$ 28,486
Cash and investments held by fiscal agent	34	-	34
Receivables, net:			
Accounts	449	299	748
Interest	1	-	1
Prepaid items	36	-	36
Intangible asset, current portion	-	8	8
Total current assets	25,632	3,681	29,313
Noncurrent assets:			
Restricted assets:			
Cash and investments held by City	-	35	35
Cash and investments held by fiscal agent	1,790	-	1,790
Loans receivable	-	-	-
Intangible assets	-	128	128
Capital assets:			
Land	5,825	-	5,825
Buildings and improvements	61,391	1,546	62,937
Machinery and equipment	6,235	-	6,235
Construction in progress	4,402	-	4,402
Software	32	-	32
Less: accumulated depreciation/amortization	(39,641)	(1,180)	(40,821)
Total noncurrent assets	40,034	529	40,563
Total assets	65,666	4,210	69,876
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows related to pensions	831	820	1,651
Deferred outflows related to OPEB	145	41	186
Total deferred outflows of resources	976	861	1,837

City of Sacramento
Other Enterprise Funds
Combining Statement of Net Position

June 30, 2019

(in thousands)

	Parking Fund	4th R Child Development Fund	Total Other Enterprise Funds
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	1,603	129	1,732
Accrued payroll	205	286	491
Accrued compensated absences	20	18	38
Interest payable	93	-	93
Deposits	515	-	515
Unearned revenue	347	264	611
Accrued claims and judgements	1	44	45
Capital leases payable	1,367	-	1,367
Revenue and other bonds payable, net	2,774	-	2,774
Total current liabilities	6,925	741	7,666
Noncurrent liabilities:			
Accrued compensated absences	311	259	570
Net OPEB liability	2,651	379	3,030
Capital leases payable	973	-	973
Revenue and other bonds payable, net	15,078	-	15,078
Net pension liability	5,143	4,736	9,879
Total noncurrent liabilities	24,156	5,374	29,530
Total liabilities	31,081	6,115	37,196
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Gain on debt refundings	243	-	243
Deferred inflows related to pensions	95	211	306
Deferred inflows related to OPEB	313	45	358
Total deferred inflows of resources	651	256	907
<u>NET POSITION</u>			
Net investment in capital assets	19,599	366	19,965
Unrestricted	15,311	(1,666)	13,645
Total net position (deficit)	\$ 34,910	\$ (1,300)	\$ 33,610

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City of Sacramento
Other Enterprise Funds
Combining Statement of Revenues,
Expenses and Changes in Net Position

For the Fiscal Year Ended June 30, 2019
(in thousands)

	Parking Fund	4th R Child Development Fund	Total Other Enterprise Funds
Operating revenues:			
Charges for services:			
User fees and charges	\$ 18,844	\$ 6,547	\$ 25,391
Rents and concessions	857	-	857
Miscellaneous	34	-	34
Total operating revenues	<u>19,735</u>	<u>6,547</u>	<u>26,282</u>
Operating expenses:			
Employee services	4,829	5,581	10,410
Services and supplies	7,191	1,100	8,291
Depreciation/amortization	1,595	85	1,680
Claims and judgements	1	-	1
Total operating expenses	<u>13,616</u>	<u>6,766</u>	<u>20,382</u>
Operating income (loss)	<u>6,119</u>	<u>(219)</u>	<u>5,900</u>
Nonoperating revenues (expenses):			
Interest and investment revenue	1,005	54	1,059
Revenue from other agencies	4	603	607
Interest expense	(738)	-	(738)
Gain on disposition of capital assets	4	-	4
Total nonoperating revenues (expenses)	<u>275</u>	<u>657</u>	<u>932</u>
Income before transfers	6,394	438	6,832
Transfers in	5,303	4	5,307
Transfers out	(9,667)	-	(9,667)
Changes in net position	2,030	442	2,472
Total net position (deficit), beginning of year	<u>32,880</u>	<u>(1,742)</u>	<u>31,138</u>
Total net position (deficit), end of year	<u>\$ 34,910</u>	<u>\$ (1,300)</u>	<u>\$ 33,610</u>

City of Sacramento
Other Enterprise Funds
Combining Statement of Cash Flows

For the Fiscal Year Ended June 30, 2019
(in thousands)

	Parking Fund	4th R Child Development Fund	Total Other Enterprise Funds
Cash flows from operating activities:			
Receipts from customers and users	\$ 20,512	\$ 6,630	\$ 27,142
Payments to suppliers	(7,149)	(1,061)	(8,210)
Payments to employees	(4,321)	(5,256)	(9,577)
Claims and judgements paid	(1)	-	(1)
Net cash provided by operating activities	<u>9,041</u>	<u>313</u>	<u>9,354</u>
Cash flows from noncapital financing activities:			
Transfers in from other funds	5,303	4	5,307
Transfers out to other funds	(2,086)	-	(2,086)
Intergovernmental revenue received	4	602	606
Net cash provided by noncapital financing activities	<u>3,221</u>	<u>606</u>	<u>3,827</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(808)	-	(808)
Proceeds from sale of capital assets	4	-	4
Principal payments on capital debt	(3,857)	-	(3,857)
Interest payments on capital debt	(906)	-	(906)
Transfers out to other funds	(7,581)	-	(7,581)
Net cash used for capital and related financing activities	<u>(13,148)</u>	<u>-</u>	<u>(13,148)</u>
Cash flows from investing activities:			
Collection of interest and investment	1,142	54	1,196
Net increase in cash and cash equivalents	256	973	1,229
Cash and cash equivalents, beginning of year	26,680	2,436	29,116
Cash and cash equivalents, end of year	<u>\$ 26,936</u>	<u>\$ 3,409</u>	<u>\$ 30,345</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Cash and investments held by City	\$ 25,112	\$ 3,374	\$ 28,486
Cash and investments held by fiscal agent	34	-	34
Restricted cash and investments held by City	-	35	35
Restricted cash and investments held by fiscal agent	1,790	-	1,790
Total cash and cash equivalents, end of year	<u>\$ 26,936</u>	<u>\$ 3,409</u>	<u>\$ 30,345</u>

City of Sacramento
Other Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2019
(in thousands)

	<u>Parking Fund</u>	<u>4th R Child Development Fund</u>	<u>Total Other Enterprise Funds</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 6,119	\$ (219)	\$ 5,900
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation/amortization expense	1,595	77	1,672
Amortization of intangible assets	-	8	8
Changes in assets, liabilities, and deferred outflows and inflows of resources:			
Accounts receivable, net	321	(5)	316
Accounts payable	42	39	81
Accrued payroll	27	37	64
Accrued compensated absences	1	18	19
Accrued claims and judgements	-	(5)	(5)
Deposits	371	-	371
Unearned revenue	85	88	173
Net pension liability and related deferred outflows/inflows of resources	506	303	809
Net OPEB liability and related deferred outflows/inflows of resources	(26)	(28)	(54)
Net cash provided by operating activities	<u>\$ 9,041</u>	<u>\$ 313</u>	<u>\$ 9,354</u>
Noncash investing, capital and financing activities:			
Amortization of bond premium and discount	\$ 127	\$ -	\$ 127
Amortization of bond gain on refunding	24	-	24
Capital asset acquisitions on accounts payable	4	-	4

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City of Sacramento
Water Fund
Combining Schedule of Net Position

June 30, 2019
(in thousands)

	<u>Development Impact Fee Fund</u>	<u>User Fee Fund</u>	<u>Grant Projects Fund</u>	<u>2013 Water Revenue Bonds Fund</u>
<u>ASSETS</u>				
Current assets:				
Cash and investments held by City	\$ -	\$ 107,426	\$ -	\$ -
Cash and investments held by fiscal agent	-	1	-	314
Receivables, net:				
Accounts	16	19,763	-	-
Loans	99	-	-	-
Intergovernmental	-	-	2,056	-
Interest	5	629	-	-
Due from other funds	-	54,425	-	-
Inventories	-	678	-	-
Prepaid items	-	289	-	-
	<u>120</u>	<u>183,211</u>	<u>2,056</u>	<u>314</u>
Total current assets				
Noncurrent assets:				
Restricted assets:				
Cash and investments held by City	35,215	-	-	4,147
Cash and investments held by fiscal agent	-	426	-	7,009
Loans receivable	693	-	-	-
Capital assets:				
Land	584	1,170	-	-
Buildings and improvements	-	42,795	559	1,344
Machinery and equipment	-	16,234	637	153
Transmission and distribution systems	1,282	613,339	3,065	95,647
Construction in progress	20,030	30,752	1,962	176,030
Software	-	3,695	-	-
Easement	-	134	-	-
Less: accumulated depreciation/amortization	(132)	(284,823)	(898)	(8,025)
	<u>57,672</u>	<u>423,722</u>	<u>5,325</u>	<u>276,305</u>
Total noncurrent assets				
Total assets	<u>57,792</u>	<u>606,933</u>	<u>7,381</u>	<u>276,619</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Loss on refunding of debt	-	4,588	-	-
Deferred outflows related to pensions	-	8,182	-	-
Deferred outflows related to OPEB	-	814	-	-
	<u>-</u>	<u>13,584</u>	<u>-</u>	<u>-</u>
Total deferred outflows of resources				

City of Sacramento
Water Fund
Combining Schedule of Net Position

June 30, 2019
(in thousands)

	2017 Water Revenue Bonds Fund	Drinking Water SRF Loan Fund	Eliminations	Total Water Fund
<u>ASSETS</u>				
Current assets:				
Cash and investments held by City	\$ -	\$ -	\$ -	\$ 107,426
Cash and investments held by fiscal agent	-	-	-	315
Receivables, net:				
Accounts	-	-	-	19,779
Loans	-	-	-	99
Intergovernmental	-	-	-	2,056
Interest	-	-	-	634
Due from other funds	-	-	(54,425)	-
Inventories	-	-	-	678
Prepaid items	-	-	-	289
	-	-	(54,425)	131,276
Noncurrent assets:				
Restricted assets:				
Cash and investments held by City	590	-	-	39,952
Cash and investments held by fiscal agent	-	-	-	7,435
Loans receivable	-	-	-	693
Capital assets:				
Land	-	-	-	1,754
Buildings and improvements	-	-	-	44,698
Machinery and equipment	8,560	1,709	-	27,293
Transmission and distribution systems	52,515	25,960	-	791,808
Construction in progress	1,329	52,803	-	282,906
Software	-	-	-	3,695
Easement	-	-	-	134
Less: accumulated depreciation/amortization	(1,426)	(453)	-	(295,757)
	61,568	80,019	-	904,611
Total assets	61,568	80,019	(54,425)	1,035,887
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Loss on refunding of debt	-	-	-	4,588
Deferred outflows related to pensions	-	-	-	8,182
Deferred outflows related to OPEB	-	-	-	814
Total deferred outflows of resources	-	-	-	13,584

City of Sacramento
Water Fund
Combining Schedule of Net Position

June 30, 2019
(in thousands)

	<u>Development Impact Fee Fund</u>	<u>User Fee Fund</u>	<u>Grant Projects Fund</u>	<u>2013 Water Revenue Bonds Fund</u>
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	176	4,072	62	-
Due to other funds	-	-	1,932	-
Accrued payroll	-	1,842	-	-
Accrued compensated absences	-	240	-	-
Interest payable	-	537	-	3,255
Deposits	-	10	-	-
Unearned revenue	1,020	3,075	62	-
Accrued claims and judgements	-	102	-	-
Revenue and other bonds payable, net	-	7,432	-	5,471
Notes payable	-	459	-	-
Total current liabilities	<u>1,196</u>	<u>17,769</u>	<u>2,056</u>	<u>8,726</u>
Noncurrent liabilities:				
Accrued compensated absences	-	2,815	-	-
Water fee credits	-	214	-	-
Net OPEB liability	-	17,224	-	-
Revenue and other bonds payable, net	-	114,191	-	216,748
Notes payable	-	6,818	-	-
Net pension liability	-	39,050	-	-
Total noncurrent liabilities	<u>-</u>	<u>180,312</u>	<u>-</u>	<u>216,748</u>
Total liabilities	<u>1,196</u>	<u>198,081</u>	<u>2,056</u>	<u>225,474</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Gain on debt refunding	-	381	-	-
Deferred inflows related to pensions	-	1,101	-	-
Deferred inflows related to OPEB	-	2,034	-	-
Total deferred inflows of resources	<u>-</u>	<u>3,516</u>	<u>-</u>	<u>-</u>
<u>NET POSITION</u>				
Net investment in capital assets	21,764	301,104	5,325	56,074
Restricted for:				
Capital projects	34,832	-	-	-
Unrestricted	<u>-</u>	<u>117,816</u>	<u>-</u>	<u>(4,929)</u>
Total net position	<u>\$ 56,596</u>	<u>\$ 418,920</u>	<u>\$ 5,325</u>	<u>\$ 51,145</u>

(continued)

City of Sacramento
Water Fund
Combining Schedule of Net Position

June 30, 2019
(in thousands)

	2017 Water Revenue Bonds Fund	Drinking Water SRF Loan Fund	Eliminations	Total Water Fund
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	-	11,371	-	15,681
Due to other funds	-	52,493	(54,425)	-
Accrued payroll	-	-	-	1,842
Accrued compensated absences	-	-	-	240
Interest payable	857	-	-	4,649
Deposits	-	-	-	10
Unearned revenue	-	-	-	4,157
Accrued claims and judgements	-	-	-	102
Revenue and other bonds payable, net	1,154	-	-	14,057
Notes payable	-	-	-	459
	<u>2,011</u>	<u>63,864</u>	<u>(54,425)</u>	<u>41,197</u>
Total current liabilities				
Noncurrent liabilities:				
Accrued compensated absences	-	-	-	2,815
Water fee credits	-	-	-	214
Net OPEB liability	-	-	-	17,224
Revenue and other bonds payable, net	60,206	-	-	391,145
Notes payable	-	17,704	-	24,522
Net pension liability	-	-	-	39,050
	<u>60,206</u>	<u>17,704</u>	<u>-</u>	<u>474,970</u>
Total noncurrent liabilities				
Total liabilities				
	<u>62,217</u>	<u>81,568</u>	<u>(54,425)</u>	<u>516,167</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Gain on debt refunding	-	-	-	381
Deferred inflows related to pensions	-	-	-	1,101
Deferred inflows related to OPEB	-	-	-	2,034
	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,516</u>
Total deferred inflows of resources				
<u>NET POSITION</u>				
Net investment in capital assets	208	62,315	-	446,790
Restricted for:				
Capital projects	-	-	-	34,832
Unrestricted	(857)	(63,864)	-	48,166
	<u>(649)</u>	<u>(63,864)</u>	<u>-</u>	<u>48,166</u>
Total net position				
	<u>\$ (649)</u>	<u>\$ (1,549)</u>	<u>\$ -</u>	<u>\$ 529,788</u>

City of Sacramento
Water Fund
Combining Schedule of Revenues,
Expenses and Changes in Net Position

For the Fiscal Year Ended June 30, 2019
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund	2013 Water Revenue Bonds Fund
Operating revenues:				
Charges for services:				
User fees and charges	\$ -	\$ 127,816	\$ 52	\$ -
Operating expenses:				
Employee services	-	42,154	-	-
Services and supplies	-	19,023	203	-
Depreciation/amortization	19	17,424	192	2,757
Total operating expenses	19	78,601	395	2,757
Operating income (loss)	(19)	49,215	(343)	(2,757)
Nonoperating revenues (expenses):				
Interest and investment revenue	751	6,130	-	405
Revenue from other agencies	-	238	1,890	-
Interest expense	-	(4,878)	-	(8,688)
Amortization of bond prepaid insurance	-	(23)	-	-
Gain on disposition of capital assets	-	1,743	-	-
Total nonoperating revenues (expenses)	751	3,210	1,890	(8,283)
Income (loss) before capital contributions, transfers, and special item	732	52,425	1,547	(11,040)
Capital contributions	5,141	4,513	-	-
Transfers in	-	93	-	14,013
Transfers out	-	(31,630)	-	-
Special item	-	2,553	-	-
Changes in net position	5,873	27,954	1,547	2,973
Total net position (deficit), beginning of year	50,723	390,966	3,778	48,172
Total net position (deficit), end of year	\$ 56,596	\$ 418,920	\$ 5,325	\$ 51,145

City of Sacramento
Water Fund
Combining Schedule of Revenues,
Expenses and Changes in Net Position

For the Fiscal Year Ended June 30, 2019
(in thousands)

	2017 Water Revenue Bonds Fund	Drinking Water SRF Loan Fund	Eliminations	Total Water Fund
Operating revenues:				
Charges for services:				
User fees and charges	\$ -	\$ -	\$ -	\$ 127,868
Operating expenses:				
Employee services	-	7	-	42,161
Services and supplies	9	(37)	-	19,198
Depreciation/amortization	848	429	-	21,669
Total operating expenses	857	399	-	83,028
Operating income (loss)	(857)	(399)	-	44,840
Nonoperating revenues (expenses):				
Interest and investment revenue	56	(772)	-	6,570
Revenue from other agencies	-	-	-	2,128
Interest expense	(2,249)	(163)	-	(15,978)
Amortization of bond prepaid insurance	-	-	-	(23)
Gain on disposition of capital assets	-	-	-	1,743
Total nonoperating revenues (expenses)	(2,193)	(935)	-	(5,560)
Income (loss) before capital contributions, transfers, and special item	(3,050)	(1,334)	-	39,280
Capital contributions	-	-	-	9,654
Transfers in	3,375	-	(17,388)	93
Transfers out	-	-	17,388	(14,242)
Special item	-	-	-	2,553
Changes in net position	325	(1,334)	-	37,338
Total net position (deficit), beginning of year	(974)	(215)	-	492,450
Total net position (deficit), end of year	\$ (649)	\$ (1,549)	\$ -	\$ 529,788

City of Sacramento
Water Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2019
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund	2013 Water Revenue Bonds Fund
Cash flows from operating activities:				
Receipts from customers and users	\$ -	\$ 129,597	\$ 52	\$ -
Payments to suppliers	68	(18,923)	(246)	-
Payments to employees	-	(37,188)	-	-
Claims and judgements paid	-	(17)	-	-
Net cash provided by (used for) operating activities	<u>68</u>	<u>73,469</u>	<u>(194)</u>	<u>-</u>
Cash flows from noncapital financing activities:				
Interfund cashflow loans	-	(54,425)	1,932	-
Transfers in from other funds	-	93	-	-
Transfers out to other funds	-	(13,694)	-	-
Interfund loan repayments	-	19,244	(464)	-
Intergovernmental revenue received	-	238	569	-
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>(48,544)</u>	<u>2,037</u>	<u>-</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(4,116)	(12,402)	(1,843)	-
Proceeds from sale of capital assets	-	1,743	-	-
Proceeds from issuance of debt	-	-	-	-
Principal payments on capital debt	-	(6,323)	-	(4,150)
Interest payments on capital debt	-	(6,044)	-	(9,864)
Transfers in from other funds	-	-	-	14,013
Transfers out to other funds	-	(17,936)	-	-
Capital contributions received	4,953	-	-	-
Loan repayments received	99	-	-	-
Net cash provided by (used for) capital and related financing activities	<u>936</u>	<u>(40,962)</u>	<u>(1,843)</u>	<u>(1)</u>
Cash flows from investing activities:				
Collection of interest and investment	751	6,428	-	405
Net increase (decrease) in cash and cash equivalents	1,755	(9,609)	-	404
Cash and cash equivalents, beginning of year	33,460	117,462	-	11,066
Cash and cash equivalents, end of year	<u>\$ 35,215</u>	<u>\$ 107,853</u>	<u>\$ -</u>	<u>\$ 11,470</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:				
Cash and investments held by City	\$ -	\$ 107,426	\$ -	\$ -
Cash and investments held by fiscal agent	-	1	-	314
Restricted cash and investments held by City	35,215	-	-	4,147
Restricted cash and investments held by fiscal agent	-	426	-	7,009
Total cash and cash equivalents, end of year	<u>\$ 35,215</u>	<u>\$ 107,853</u>	<u>\$ -</u>	<u>\$ 11,470</u>

City of Sacramento
Water Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2019
(in thousands)

	2017 Water Revenue Bonds Fund	Drinking Water SRF Loan Fund	Eliminations	Total Water Fund
Cash flows from operating activities:				
Receipts from customers and users	\$ -	\$ -	\$ -	\$ 129,649
Payments to suppliers	(9)	37	-	(19,073)
Payments to employees	-	(7)	-	(37,195)
Claims and judgements paid	-	-	-	(17)
Net cash provided by (used for) operating activities	(9)	30	-	73,364
Cash flows from noncapital financing activities:				
Interfund cashflow loans	-	52,493	-	-
Transfers in from other funds	-	-	-	93
Transfers out to other funds	-	-	-	(13,694)
Interfund loan repayments	-	(7,705)	-	11,075
Intergovernmental revenue received	-	-	-	807
Net cash provided by (used for) noncapital financing activities	-	44,788	-	(1,719)
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(12,193)	(57,744)	-	(88,298)
Proceeds from sale of capital assets	-	-	-	1,743
Proceeds from issuance of debt	-	13,861	-	13,861
Principal payments on capital debt	(785)	-	-	(11,258)
Interest payments on capital debt	(2,591)	(163)	-	(18,662)
Transfers in from other funds	3,375	-	(17,388)	-
Transfers out to other funds	-	-	17,388	(548)
Capital contributions received	-	-	-	4,953
Loan repayments received	-	-	-	99
Net cash provided by (used for) capital and related financing activities	(12,194)	(44,046)	-	(98,110)
Cash flows from investing activities:				
Collection of interest and investment	56	(772)	-	6,868
Net increase (decrease) in cash and cash equivalents	(12,147)	-	-	(19,597)
Cash and cash equivalents, beginning of year	12,737	-	-	174,725
Cash and cash equivalents, end of year	\$ 590	\$ -	\$ -	\$ 155,128
Reconciliation of cash and cash equivalents to the Statement of Net Position:				
Cash and investments held by City	\$ -	\$ -	\$ -	\$ 107,426
Cash and investments held by fiscal agent	-	-	-	315
Restricted cash and investments held by City	590	-	-	39,952
Restricted cash and investments held by fiscal agent	-	-	-	7,435
Total cash and cash equivalents, end of year	\$ 590	\$ -	\$ -	\$ 155,128

(continued)

City of Sacramento
Water Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2019
(in thousands)

	<u>Development Impact Fee Fund</u>	<u>User Fee Fund</u>	<u>Grant Projects Fund</u>	<u>2013 Water Revenue Bonds Fund</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (19)	\$ 49,215	\$ (343)	\$ (2,757)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation/amortization expense	19	17,424	192	2,757
Special item - sale of water	-	2,553	-	-
Changes in assets, liabilities, and deferred outflows and inflows of resources:				
Accounts receivable, net	-	(1,301)	-	-
Inventories	-	194	-	-
Prepaid items	-	(7)	-	-
Accounts payable	68	(87)	(43)	-
Accrued payroll	-	264	-	-
Accrued compensated absences	-	889	-	-
Accrued claims and judgements	-	(40)	-	-
Deposits	-	(5)	-	-
Unearned revenue	-	534	-	-
Net pension liability and related deferred outflows/inflows of resources	-	3,877	-	-
Net OPEB liability and related deferred outflows/inflows of resources	-	(41)	-	-
Net cash provided by (used for) operating activities	<u>\$ 68</u>	<u>\$ 73,469</u>	<u>\$ (194)</u>	<u>\$ -</u>
Noncash investing, capital and financing activities:				
Contributions of capital assets	\$ -	\$ 4,392	\$ -	\$ -
Transfer of capital assets from governmental funds, net of depreciation	-	121	-	-
Amortization of bond premium and discount	-	1,277	-	1,111
Amortization of bond loss on refunding	-	(328)	-	-
Amortization of bond gain on refunding	-	190	-	-
Amortization of bond prepaid insurance	-	(23)	-	-
Capital asset acquisitions on accounts payable	105	1,368	56	-

(continued)

City of Sacramento
Water Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2019
(in thousands)

	2017 Water Revenue Bonds Fund	Drinking Water SRF Loan Fund	Eliminations	Total Water Fund
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (857)	\$ (399)	\$ -	\$ 44,840
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation/amortization expense	848	429	-	21,669
Special item - sale of water	-	-	-	2,553
Changes in assets, liabilities, and deferred outflows and inflows of resources:				
Accounts receivable, net	-	-	-	(1,301)
Inventories	-	-	-	194
Prepaid items	-	-	-	(7)
Accounts payable	-	-	-	(62)
Accrued payroll	-	-	-	264
Accrued compensated absences	-	-	-	889
Accrued claims and judgements	-	-	-	(40)
Deposits	-	-	-	(5)
Unearned revenue	-	-	-	534
Net pension liability and related deferred outflows/inflows of resources	-	-	-	3,877
Net OPEB liability and related deferred outflows/inflows of resources	-	-	-	(41)
Net cash provided by (used for) operating activities	<u>\$ (9)</u>	<u>\$ 30</u>	<u>\$ -</u>	<u>\$ 73,364</u>
Noncash investing, capital and financing activities:				
Contributions of capital assets	\$ -	\$ -	\$ -	\$ 4,392
Transfer of capital assets from governmental funds, net of depreciation	-	-	-	121
Amortization of bond premium and discount	328	-	-	2,716
Amortization of bond loss on refunding	-	-	-	(328)
Amortization of bond gain on refunding	-	-	-	190
Amortization of bond prepaid insurance	-	-	-	(23)
Capital asset acquisitions on accounts payable	-	11,371	-	12,900

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City of Sacramento
Wastewater Fund
Combining Schedule of Net Position

June 30, 2019
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund
<u>ASSETS</u>			
Current assets:			
Cash and investments held by City	\$ -	\$ 52,732	\$ -
Receivables, net:			
Accounts	276	12,103	-
Loans	-	139	-
Intergovernmental	-	-	374
Interest	-	338	-
Due from other funds	-	374	-
Inventories	-	45	-
Prepaid items	-	3	-
	<u>276</u>	<u>65,734</u>	<u>374</u>
Total current assets			
Noncurrent assets:			
Restricted assets:			
Cash and investments held by City	5,446	821	-
Cash and investments held by fiscal agent	-	-	-
Loans receivable	-	142	-
Capital assets:			
Land	-	1,138	-
Buildings and improvements	-	16,115	-
Machinery and equipment	-	4,846	-
Transmission and distribution systems	1,013	160,221	6,679
Construction in progress	1,241	4,616	-
Software	-	801	-
Less: accumulated depreciation/amortization	(53)	(82,168)	(98)
	<u>7,647</u>	<u>106,532</u>	<u>6,581</u>
Total noncurrent assets			
Total assets			
	<u>7,923</u>	<u>172,266</u>	<u>6,955</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows related to pensions	-	1,709	-
Deferred outflows related to OPEB	-	243	-
	<u>-</u>	<u>1,952</u>	<u>-</u>
Total deferred outflows of resources			

City of Sacramento
Wastewater Fund
Combining Schedule of Net Position

June 30, 2019
(in thousands)

	2013 Wastewater Revenue Bonds Fund	2019 Wastewater Revenue Bonds Fund	Eliminations	Total Wastewater Fund
<u>ASSETS</u>				
Current assets:				
Cash and investments held by City	\$ -	\$ -	\$ -	\$ 52,732
Receivables, net:				
Accounts	-	-	-	12,379
Loans	-	-	-	139
Intergovernmental	-	-	-	374
Interest	-	-	-	338
Due from other funds	-	-	(374)	-
Inventories	-	-	-	45
Prepaid items	-	-	-	3
	-	-	-	-
Total current assets	-	-	(374)	66,010
Noncurrent assets:				
Restricted assets:				
Cash and investments held by City	471	18,935	-	25,673
Cash and investments held by fiscal agent	1,020	-	-	1,020
Loans receivable	-	-	-	142
Capital assets:				
Land	-	-	-	1,138
Buildings and improvements	12,041	3,068	-	31,224
Machinery and equipment	301	-	-	5,147
Transmission and distribution systems	20,712	7,253	-	195,878
Construction in progress	330	212	-	6,399
Software	97	2,746	-	3,644
Less: accumulated depreciation/amortization	(1,787)	(242)	-	(84,348)
	-	-	-	-
Total noncurrent assets	33,185	31,972	-	185,917
	-	-	-	-
Total assets	33,185	31,972	(374)	251,927
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Deferred outflows related to pensions	-	-	-	1,709
Deferred outflows related to OPEB	-	-	-	243
	-	-	-	-
Total deferred outflows of resources	-	-	-	1,952

City of Sacramento
Wastewater Fund
Combining Schedule of Net Position

June 30, 2019
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	143	13,856	-
Due to other funds	-	-	374
Accrued payroll	-	397	-
Accrued compensated absences	-	48	-
Interest payable	-	16	-
Accrued claims and judgements	-	80	-
Revenue and other bonds payable, net	-	-	-
Notes payable	-	783	-
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Total current liabilities	143	15,180	374
Noncurrent liabilities:			
Accrued compensated absences	-	673	-
Net OPEB liability	-	6,122	-
Revenue and other bonds payable, net	-	-	-
Notes payable	-	716	-
Net pension liability	-	13,106	-
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Total noncurrent liabilities	-	20,617	-
	<hr/>	<hr/>	<hr/>
Total liabilities	143	35,797	374
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows related to pensions	-	251	-
Deferred inflows related to OPEB	-	723	-
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Total deferred inflows of resources	-	974	-
<u>NET POSITION</u>			
Net investment in capital assets	2,201	104,070	6,581
Restricted for:			
Capital projects	5,579	-	-
Unrestricted	-	33,377	-
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Total net position (deficit)	<u>\$ 7,780</u>	<u>\$ 137,447</u>	<u>\$ 6,581</u>

(continued)

City of Sacramento
Wastewater Fund
Combining Schedule of Net Position

June 30, 2019
(in thousands)

	2013 Wastewater Revenue Bonds Fund	2019 Wastewater Revenue Bonds Fund	Eliminations	Total Wastewater Fund
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	-	330	-	14,329
Due to other funds	-	-	(374)	-
Accrued payroll	-	-	-	397
Accrued compensated absences	-	-	-	48
Interest payable	438	338	-	792
Accrued claims and judgements	-	-	-	80
Revenue and other bonds payable, net	717	296	-	1,013
Notes payable	-	-	-	783
	<u>1,155</u>	<u>964</u>	<u>(374)</u>	<u>17,442</u>
Total current liabilities				
Noncurrent liabilities:				
Accrued compensated absences	-	-	-	673
Net OPEB liability	-	-	-	6,122
Revenue and other bonds payable, net	29,100	31,635	-	60,735
Notes payable	-	-	-	716
Net pension liability	-	-	-	13,106
	<u>29,100</u>	<u>31,635</u>	<u>-</u>	<u>81,352</u>
Total noncurrent liabilities				
Total liabilities				
	<u>30,255</u>	<u>32,599</u>	<u>(374)</u>	<u>98,794</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred inflows related to pensions	-	-	-	251
Deferred inflows related to OPEB	-	-	-	723
	<u>-</u>	<u>-</u>	<u>-</u>	<u>974</u>
Total deferred inflows of resources				
<u>NET POSITION</u>				
Net investment in capital assets	3,972	41	-	116,865
Restricted for:				
Capital projects	-	-	-	5,579
Unrestricted	(1,042)	(668)	-	31,667
	<u>2,930</u>	<u>(627)</u>	<u>-</u>	<u>154,111</u>
Total net position (deficit)				
	<u>\$ 2,930</u>	<u>\$ (627)</u>	<u>\$ -</u>	<u>\$ 154,111</u>

City of Sacramento
Wastewater Fund
Combining Schedule of Revenues,
Expenses and Changes in Net Position

For the Fiscal Year Ended June 30, 2019
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund
Operating revenues:			
Charges for services:			
User fees and charges	\$ -	\$ 41,185	\$ -
Charge to other agencies for contract services	-	1,090	-
Total operating revenues	-	42,275	-
Operating expenses:			
Employee services	-	10,942	-
Services and supplies	-	15,753	-
Depreciation/amortization	10	3,275	53
Claims and judgements	-	22	-
Total operating expenses	10	29,992	53
Operating income (loss)	(10)	12,283	(53)
Nonoperating revenues (expenses):			
Interest and investment revenue	118	1,814	-
Interest expense	-	(44)	-
Total nonoperating revenues (expenses)	118	1,770	-
Income (loss) before capital contributions and transfers	108	14,053	(53)
Capital contributions	393	851	611
Transfers in	-	164	-
Transfers out	-	(6,764)	-
Changes in net position	501	8,304	558
Total net position, beginning of year	7,279	129,143	6,023
Total net position (deficit), end of year	\$ 7,780	\$ 137,447	\$ 6,581

City of Sacramento
Wastewater Fund
Combining Schedule of Revenues,
Expenses and Changes in Net Position

For the Fiscal Year Ended June 30, 2019
(in thousands)

	2013 Wastewater Revenue Bonds Fund	2019 Wastewater Revenue Bonds Fund	Eliminations	Total Wastewater Fund
Operating revenues:				
Charges for services:				
User fees and charges	\$ -	\$ -	\$ -	\$ 41,185
Charge to other agencies for contract services	-	-	-	1,090
Total operating revenues	-	-	-	42,275
Operating expenses:				
Employee services	-	51	-	10,993
Services and supplies	18	585	-	16,356
Depreciation/amortization	537	242	-	4,117
Claims and judgements	-	-	-	22
Total operating expenses	555	878	-	31,488
Operating income (loss)	(555)	(878)	-	10,787
Nonoperating revenues (expenses):				
Interest and investment revenue	52	103	-	2,087
Interest expense	(1,262)	(265)	-	(1,571)
Total nonoperating revenues (expenses)	(1,210)	(162)	-	516
Income (loss) before capital contributions and transfers	(1,765)	(1,040)	-	11,303
Capital contributions	-	-	-	1,855
Transfers in	1,954	413	(2,367)	164
Transfers out	-	-	2,367	(4,397)
Changes in net position	189	(627)	-	8,925
Total net position, beginning of year	2,741	-	-	145,186
Total net position (deficit), end of year	\$ 2,930	\$ (627)	\$ -	\$ 154,111

City of Sacramento
Wastewater Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2019
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund
Cash flows from operating activities:			
Receipts from customers and users	\$ -	\$ 41,667	\$ -
Payments to suppliers	-	(16,070)	-
Payments to employees	-	(9,867)	-
Claims and judgements paid	-	(34)	-
Net cash provided by (used for) operating activities	-	15,696	-
Cash flows from noncapital financing activities:			
Interfund cashflow loans	-	(374)	374
Transfers in from other funds	-	164	-
Transfers out to other funds	-	(4,331)	-
Net cash provided by (used for) noncapital financing activities	-	(4,541)	374
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(317)	2,997	(1,194)
Proceeds from issuance of debt	-	-	-
Principal payments on capital debt	-	(767)	-
Interest payments on capital debt	-	(52)	-
Transfers in from other funds	-	-	-
Transfers out to other funds	-	(2,433)	-
Capital contributions received	436	-	1,401
Loan repayments received	-	136	-
Net cash provided by (used for) capital and related financing activities	119	(119)	207
Cash flows from investing activities:			
Collection of interest and investment	118	1,731	-
Net increase in cash and cash equivalents	237	12,767	581
Cash and cash equivalents, beginning of year	5,209	40,786	(581)
Cash and cash equivalents, end of year	<u>\$ 5,446</u>	<u>\$ 53,553</u>	<u>\$ -</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Cash and investments held by City	\$ -	\$ 52,732	\$ -
Restricted cash and investments held by City	5,446	821	-
Restricted cash and investments held by fiscal agent	-	-	-
Total cash and cash equivalents, end of year	<u>\$ 5,446</u>	<u>\$ 53,553</u>	<u>\$ -</u>

City of Sacramento
Wastewater Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2019
(in thousands)

	2013 Wastewater Revenue Bonds Fund	2019 Wastewater Revenue Bonds Fund	Eliminations	Total Wastewater Fund
Cash flows from operating activities:				
Receipts from customers and users	\$ -	\$ -	\$ -	\$ 41,667
Payments to suppliers	(18)	(585)	-	(16,673)
Payments to employees	-	(51)	-	(9,918)
Claims and judgements paid	-	-	-	(34)
Net cash provided by (used for) operating activities	(18)	(636)	-	15,042
Cash flows from noncapital financing activities:				
Interfund cashflow loans	-	-	-	-
Transfers in from other funds	-	-	-	164
Transfers out to other funds	-	-	-	(4,331)
Net cash provided by (used for) noncapital financing activities	-	-	-	(4,167)
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	18	(12,950)	-	(11,446)
Proceeds from issuance of debt	-	32,005	-	32,005
Principal payments on capital debt	(630)	-	-	(1,397)
Interest payments on capital debt	(1,327)	-	-	(1,379)
Transfers in from other funds	1,954	413	(2,367)	-
Transfers out to other funds	-	-	2,367	(66)
Capital contributions received	-	-	-	1,837
Loan repayments received	-	-	-	136
Net cash provided by (used for) capital and related financing activities	15	19,468	-	19,690
Cash flows from investing activities:				
Collection of interest and investment	52	103	-	2,004
Net increase in cash and cash equivalents	49	18,935	-	32,569
Cash and cash equivalents, beginning of year	1,442	-	-	46,856
Cash and cash equivalents, end of year	<u>\$ 1,491</u>	<u>\$ 18,935</u>	<u>\$ -</u>	<u>\$ 79,425</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:				
Cash and investments held by City	\$ -	\$ -	\$ -	\$ 52,732
Restricted cash and investments held by City	471	18,935	-	25,673
Restricted cash and investments held by fiscal agent	1,020	-	-	1,020
Total cash and cash equivalents, end of year	<u>\$ 1,491</u>	<u>\$ 18,935</u>	<u>\$ -</u>	<u>\$ 79,425</u>

City of Sacramento
Wastewater Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2019
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (10)	\$ 12,283	\$ (53)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation/amortization expense	10	3,275	53
Changes in assets, liabilities, and deferred outflows and inflows of resources:			
Accounts receivable, net	-	(608)	-
Prepaid items	-	(2)	-
Accounts payable	-	(315)	-
Accrued payroll	-	(56)	-
Accrued compensated absences	-	104	-
Accrued claims and judgements	-	(12)	-
Net pension liability and related deferred outflows/inflows of resources	-	996	-
Net OPEB liability and related deferred outflows/inflows of resources	-	31	-
Net cash provided by (used for) operating activities	<u>\$ -</u>	<u>\$ 15,696</u>	<u>\$ -</u>
Noncash investing, capital and financing activities:			
Contributions of capital assets	\$ -	\$ 602	\$ -
Transfer of capital assets from governmental funds, net of depreciation	-	249	-
Amortization of bond premium and discount	-	-	-
Capital asset acquisitions on accounts payable	-	1,314	-

(continued)

City of Sacramento
Wastewater Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2019
(in thousands)

	2013 Wastewater Revenue Bonds Fund	2019 Wastewater Revenue Bonds Fund	Eliminations	Total Wastewater Fund
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (555)	\$ (878)	\$ -	\$ 10,787
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation/amortization expense	537	242	-	4,117
Changes in assets, liabilities, and deferred outflows and inflows of resources:				
Accounts receivable, net	-	-	-	(608)
Prepaid items	-	-	-	(2)
Accounts payable	-	-	-	(315)
Accrued payroll	-	-	-	(56)
Accrued compensated absences	-	-	-	104
Accrued claims and judgements	-	-	-	(12)
Net pension liability and related deferred outflows/inflows of resources	-	-	-	996
Net OPEB liability and related deferred outflows/inflows of resources	-	-	-	31
Net cash provided by (used for) operating activities	<u>\$ (18)</u>	<u>\$ (636)</u>	<u>\$ -</u>	<u>\$ 15,042</u>
Noncash investing, capital and financing activities:				
Contributions of capital assets	\$ -	\$ -	\$ -	\$ 602
Transfer of capital assets from governmental funds, net of depreciation	-	-	-	249
Amortization of bond premium and discount	57	73	-	130
Capital asset acquisitions on accounts payable	-	330	-	1,644

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City of Sacramento
Community Center Fund
Combining Schedule of Net Position

June 30, 2019
(in thousands)

	Community Center Fund	2018 TOT Revenue Bonds, Tax-Exempt Fund	2018 TOT Revenue Bonds, Taxable Fund	Total Community Center Fund
<u>ASSETS</u>				
Current assets:				
Cash and investments held by City	\$ 41,291	\$ -	\$ -	\$ 41,291
Cash and investments held by fiscal agent	147	-	-	147
Receivables, net:				
Taxes	3,645	-	-	3,645
Accounts	327	-	-	327
Interest	1,306	-	-	1,306
Prepaid items	3	-	-	3
	<u>46,719</u>	<u>-</u>	<u>-</u>	<u>46,719</u>
Total current assets				
Noncurrent assets:				
Restricted assets:				
Cash and investments held by City	-	244,290	20,304	264,594
Cash and investments held by fiscal agent	9,862	2,211	126	12,199
Capital assets:				
Land	21,740	-	-	21,740
Buildings and improvements	113,040	-	-	113,040
Machinery and equipment	4,913	-	-	4,913
Construction in progress	15,729	53,267	-	68,996
Software	46	-	-	46
Less: accumulated depreciation/amortization	(67,913)	-	-	(67,913)
	<u>97,417</u>	<u>299,768</u>	<u>20,430</u>	<u>417,615</u>
Total noncurrent assets				
Total assets	<u>144,136</u>	<u>299,768</u>	<u>20,430</u>	<u>464,334</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Deferred outflows related to pensions	1,371	-	-	1,371
Deferred outflows related to OPEB	168	-	-	168
	<u>1,539</u>	<u>-</u>	<u>-</u>	<u>1,539</u>
Total deferred outflows of resources				

City of Sacramento
Community Center Fund
Combining Schedule of Net Position

June 30, 2019
(in thousands)

	Community Center Fund	2018 TOT Revenue Bonds, Tax-Exempt Fund	2018 TOT Revenue Bonds, Taxable Fund	Total Community Center Fund
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	2,571	7,916	2	10,489
Accrued payroll	263	-	-	263
Accrued compensated absences	44	-	-	44
Due to other funds	250	-	-	250
Interest payable	135	1,095	63	1,293
Unearned revenue	472	-	-	472
Accrued claims and judgements	9	-	-	9
Revenue and other bonds payable, net	7,271	1,100	-	8,371
	<u>11,015</u>	<u>10,111</u>	<u>65</u>	<u>21,191</u>
Total current liabilities				
Noncurrent liabilities:				
Accrued compensated absences	372	-	-	372
Advances from other funds	5,330	-	-	5,330
Net OPEB liability	1,836	-	-	1,836
Revenue and other bonds payable, net	7,686	293,425	20,610	321,721
Net pension liability	7,932	-	-	7,932
	<u>23,156</u>	<u>293,425</u>	<u>20,610</u>	<u>337,191</u>
Total noncurrent liabilities				
Total liabilities	<u>34,171</u>	<u>303,536</u>	<u>20,675</u>	<u>358,382</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred inflows related to pensions	185	-	-	185
Deferred inflows related to OPEB	217	-	-	217
	<u>402</u>	<u>-</u>	<u>-</u>	<u>402</u>
Total deferred inflows of resources				
<u>NET POSITION</u>				
Net investment in capital assets	83,441	-	-	83,441
Unrestricted	27,661	(3,768)	(245)	23,648
	<u>111,102</u>	<u>(3,768)</u>	<u>(245)</u>	<u>107,089</u>
Total net position (deficit)	<u>\$ 111,102</u>	<u>\$ (3,768)</u>	<u>\$ (245)</u>	<u>\$ 107,089</u>

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City of Sacramento
Community Center Fund
Combining Schedule of Revenues,
Expenses and Changes in Net Position

For the Fiscal Year Ended June 30, 2019
(in thousands)

	Community Center Fund	2018 TOT Revenue Bonds, Tax-Exempt Fund	2018 TOT Revenue Bonds, Taxable Fund	Eliminations	Total Community Center Fund
Operating revenues:					
Charges for services:					
User fees and charges	\$ 2,856	\$ -	\$ -	\$ -	\$ 2,856
Rents and concessions	5,827	-	-	-	5,827
Miscellaneous	43	-	-	-	43
Total operating revenues	<u>8,726</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,726</u>
Operating expenses:					
Employee services	6,281	-	-	-	6,281
Services and supplies	6,621	2,280	171	-	9,072
Depreciation/amortization	1,936	-	-	-	1,936
Claims and judgements	1	-	-	-	1
Total operating expenses	<u>14,839</u>	<u>2,280</u>	<u>171</u>	<u>-</u>	<u>17,290</u>
Operating loss	<u>(6,113)</u>	<u>(2,280)</u>	<u>(171)</u>	<u>-</u>	<u>(8,564)</u>
Nonoperating revenues (expenses):					
Interest and investment revenue	2,068	4,399	304	-	6,771
Transient occupancy taxes	29,477	-	-	-	29,477
Interest expense	(1,242)	(8,022)	(504)	-	(9,768)
Total nonoperating revenues (expenses)	<u>30,303</u>	<u>(3,623)</u>	<u>(200)</u>	<u>-</u>	<u>26,480</u>
Income (loss) before transfers	24,190	(5,903)	(371)	-	17,916
Transfers in	-	2,135	126	(2,261)	-
Transfers out	(4,690)	-	-	2,261	(2,429)
Changes in net position	19,500	(3,768)	(245)	-	15,487
Total net position, beginning of year	<u>91,602</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,602</u>
Total net position (deficit), end of year	<u>\$ 111,102</u>	<u>\$ (3,768)</u>	<u>\$ (245)</u>	<u>\$ -</u>	<u>\$ 107,089</u>

City of Sacramento
Community Center Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2019
(in thousands)

	Community Center Fund	2018 TOT Revenue Bonds, Tax-Exempt Fund	2018 TOT Revenue Bonds, Taxable Fund	Eliminations	Total Community Center Fund
Cash flows from operating activities:					
Receipts from customers and users	\$ 7,655	\$ -	\$ -	\$ -	\$ 7,655
Payments to suppliers	(6,582)	(2,280)	(169)	-	(9,031)
Payments to employees	(5,662)	-	-	-	(5,662)
Claims and judgements paid	(6)	-	-	-	(6)
Net cash used for operating activities	(4,595)	(2,280)	(169)	-	(7,044)
Cash flows from noncapital financing activities:					
Transient occupancy taxes	29,638	-	-	-	29,638
Transfers out to other funds	(2,429)	-	-	-	(2,429)
Interfund loan repayments	(19,084)	-	-	-	(19,084)
Net cash provided by noncapital financing activities	8,125	-	-	-	8,125
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	5,781	(45,351)	-	-	(39,570)
Proceeds from issuance of debt	-	295,260	20,610	-	315,870
Principal payments on capital debt	(6,926)	-	-	-	(6,926)
Interest payments on capital debt	(997)	(7,662)	(441)	-	(9,100)
Transfers in from other funds	-	2,135	126	(2,261)	-
Transfers out to other funds	(2,261)	-	-	2,261	-
Net cash provided by (used for) capital and related financing activities	(4,403)	244,382	20,295	-	260,274
Cash flows from investing activities:					
Collection of interest and investment	998	4,399	304	-	5,701
Loan repayments received	43	-	-	-	43
Net cash provided by investing activities	1,041	4,399	304	-	5,744
Net increase in cash and cash equivalents	168	246,501	20,430	-	267,099
Cash and cash equivalents, beginning of year	51,132	-	-	-	51,132
Cash and cash equivalents, end of year	\$ 51,300	\$ 246,501	\$ 20,430	\$ -	\$ 318,231
Reconciliation of cash and cash equivalents to the Statement of Net Position:					
Cash and investments held by City	\$ 41,291	\$ -	\$ -	\$ -	\$ 41,291
Cash and investments held by fiscal agent	147	-	-	-	147
Restricted cash and investments held by City	-	244,290	20,304	-	264,594
Restricted cash and investments held by fiscal agent	9,862	2,211	126	-	12,199
Total cash and cash equivalents, end of year	\$ 51,300	\$ 246,501	\$ 20,430	\$ -	\$ 318,231

City of Sacramento
Community Center Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2019
(in thousands)

	Community Center Fund	2018 TOT Revenue Bonds, Tax-Exempt Fund	2018 TOT Revenue Bonds, Taxable Fund	Eliminations	Total Community Center Fund
Reconciliation of operating loss to net cash used for operating activities:					
Operating loss	\$ (6,113)	\$ (2,280)	\$ (171)	\$ -	\$ (8,564)
Adjustments to reconcile operating loss to net cash used for operating activities:					
Depreciation/amortization expense	1,936	-	-	-	1,936
Changes in assets, liabilities, and deferred outflows and inflows of resources:					
Accounts receivable, net	(69)	-	-	-	(69)
Prepaid items	3	-	-	-	3
Accounts payable	36	-	2	-	38
Accrued payroll	(4)	-	-	-	(4)
Accrued compensated absences	(34)	-	-	-	(34)
Accrued claims and judgements	(5)	-	-	-	(5)
Unearned revenue	(1,002)	-	-	-	(1,002)
Net pension liability and related deferred outflows/inflows of resources	742	-	-	-	742
Net OPEB liability and related deferred outflows/inflows of resources	(85)	-	-	-	(85)
Net cash used for operating activities	<u>\$ (4,595)</u>	<u>\$ (2,280)</u>	<u>\$ (169)</u>	<u>\$ -</u>	<u>\$ (7,044)</u>
Noncash investing, capital and financing activities:					
Amortization of bond premium and discount	\$ (25)	\$ 733	\$ -	\$ -	\$ 708
Capital asset acquisitions on accounts payable	(1,046)	(7,916)	-	-	(8,962)

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INTERNAL SERVICE FUNDS

Internal service funds are established to account for goods or services provided by one department within the City to other departments on a cost reimbursement basis. The following are internal service funds:

THE FLEET MANAGEMENT FUND is used to account for the operation, maintenance and replacement of the City's fleet of vehicles that serve the transportation and operating needs of all City departments and divisions.

THE RISK MANAGEMENT FUND is used to account for the City's self-funded general and automobile insurance program and workers' compensation insurance program.

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City of Sacramento
Internal Service Funds
Combining Statement of Net Position

June 30, 2019

(in thousands)

	Fleet Management Fund	Risk Management Fund	Total Internal Service Funds
<u>ASSETS</u>			
Current assets:			
Cash and investments held by City	\$ 16,961	\$ 99,777	\$ 116,738
Cash and investments held by fiscal agent	-	219	219
Receivables, net:			
Accounts	48	128	176
Interest	-	411	411
Due from other funds	-	1,481	1,481
Prepaid items	4,199	-	4,199
	<u>21,208</u>	<u>102,016</u>	<u>123,224</u>
Total current assets			
Noncurrent assets:			
Advances to other funds	-	12,022	12,022
Capital assets:			
Buildings and improvements	7,159	-	7,159
Machinery and equipment	543	-	543
Vehicles	168,903	-	168,903
Software	256	-	256
Construction in progress	307	-	307
Less: accumulated depreciation/amortization	(100,930)	-	(100,930)
	<u>76,238</u>	<u>12,022</u>	<u>88,260</u>
Total noncurrent assets			
Total assets			
	<u>97,446</u>	<u>114,038</u>	<u>211,484</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows related to pensions	1,219	870	2,089
Deferred outflows related to OPEB	244	64	308
	<u>1,463</u>	<u>934</u>	<u>2,397</u>
Total deferred outflows of resources			

City of Sacramento
Internal Service Funds
Combining Statement of Net Position
June 30, 2019
(in thousands)

	Fleet Management Fund	Risk Management Fund	Total Internal Service Funds
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	2,590	492	3,082
Accrued payroll	350	268	618
Accrued compensated absences	47	32	79
Interest payable	3	-	3
Unearned revenue	-	315	315
Accrued claims and judgements	20	19,779	19,799
Capital leases payable	15	-	15
Revenue and other bonds payable, net	384	-	384
	<u>3,409</u>	<u>20,886</u>	<u>24,295</u>
Total current liabilities			
Noncurrent liabilities:			
Accrued compensated absences	562	379	941
Accrued claims and judgements	-	65,714	65,714
Net OPEB liability	6,380	1,047	7,427
Revenue and other bonds payable, net	421	-	421
Net pension liability	8,761	5,144	13,905
	<u>16,124</u>	<u>72,284</u>	<u>88,408</u>
Total noncurrent liabilities			
Total liabilities	<u>19,533</u>	<u>93,170</u>	<u>112,703</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows related to pensions	138	69	207
Deferred inflows related to OPEB	752	123	875
	<u>890</u>	<u>192</u>	<u>1,082</u>
Total deferred inflows of resources			
<u>NET POSITION</u>			
Net investment in capital assets	75,418	-	75,418
Unrestricted	3,068	21,610	24,678
	<u>\$ 78,486</u>	<u>\$ 21,610</u>	<u>\$ 100,096</u>
Total net position			

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City of Sacramento
Internal Service Funds
Combining Statement of Revenues, Expenses
and Changes in Net Position

For the Fiscal Year Ended June 30, 2019
(in thousands)

	Fleet Management Fund	Risk Management Fund	Total Internal Service Funds
Operating revenues:			
Charges for services:			
User fees and charges	\$ 49,482	\$ 36,104	\$ 85,586
Miscellaneous	8	-	8
Total operating revenues	<u>49,490</u>	<u>36,104</u>	<u>85,594</u>
Operating expenses:			
Employee services	8,417	4,869	13,286
Services and supplies	22,217	7,403	29,620
Depreciation/amortization	11,923	-	11,923
Insurance premiums	-	5,835	5,835
Claims and judgements	-	20,255	20,255
Total operating expenses	<u>42,557</u>	<u>38,362</u>	<u>80,919</u>
Operating income (loss)	<u>6,933</u>	<u>(2,258)</u>	<u>4,675</u>
Nonoperating revenues (expenses):			
Interest and investment revenue	312	4,006	4,318
Revenue from other agencies	-	18	18
Insurance and other claim recoveries	-	360	360
Interest expense	(10)	-	(10)
Gain (loss) on disposition of capital assets	(480)	-	(480)
Total nonoperating revenues (expenses)	<u>(178)</u>	<u>4,384</u>	<u>4,206</u>
Income (loss) before transfers	6,755	2,126	8,881
Transfers in	412	-	412
Transfers out	(709)	-	(709)
Changes in net position	6,458	2,126	8,584
Total net position, beginning of year	<u>72,028</u>	<u>19,484</u>	<u>91,512</u>
Total net position, end of year	<u>\$ 78,486</u>	<u>\$ 21,610</u>	<u>\$ 100,096</u>

City of Sacramento
Internal Service Funds
Combining Statement of Cash Flows

For the Fiscal Year Ended June 30, 2019
(in thousands)

	Fleet Management Fund	Risk Management Fund	Total Internal Service Funds
Cash flows from operating activities:			
Receipts from interfund services provided	\$ 49,485	\$ 104,832	\$ 154,317
Payments to suppliers	(21,159)	(83,328)	(104,487)
Payments to employees	(7,509)	(4,405)	(11,914)
Claims and judgements paid	(9)	(13,507)	(13,516)
Net cash provided by operating activities	<u>20,808</u>	<u>3,592</u>	<u>24,400</u>
Cash flows from noncapital financing activities:			
Transfers out to other funds	(643)	-	(643)
Collections on interfund loans	-	575	575
Loans made to other funds	-	(1,231)	(1,231)
Intergovernmental revenue received	-	18	18
Claim and judgement recoveries	-	933	933
Net cash provided by (used for) noncapital financing activities	<u>(643)</u>	<u>295</u>	<u>(348)</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(25,422)	-	(25,422)
Proceeds from sale of capital assets	667	-	667
Principal payments on capital debt	(392)	-	(392)
Interest payments on capital debt	(51)	-	(51)
Transfers in from other funds	346	-	346
Net cash used for capital and related financing activities	<u>(24,852)</u>	<u>-</u>	<u>(24,852)</u>
Cash flows from investing activities:			
Collection of interest and investment	312	4,060	4,372
Net increase (decrease) in cash and cash equivalents	(4,375)	7,947	3,572
Cash and cash equivalents, beginning of year	<u>21,336</u>	<u>92,049</u>	<u>113,385</u>
Cash and cash equivalents, end of year	<u>\$ 16,961</u>	<u>\$ 99,996</u>	<u>\$ 116,957</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Cash and investments held by City	\$ 16,961	\$ 99,777	\$ 116,738
Cash and investments held by fiscal agent	-	219	219
Total cash and cash equivalents, end of year	<u>\$ 16,961</u>	<u>\$ 99,996</u>	<u>\$ 116,957</u>

City of Sacramento
Internal Service Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2019
(in thousands)

	Fleet Management Fund	Risk Management Fund	Total Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 6,933	\$ (2,258)	\$ 4,675
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation/amortization expense	11,923	-	11,923
Changes in assets, liabilities, and deferred outflows and inflows of resources:			
Accounts receivable, net	(5)	19	14
Accounts payable	1,057	(1,406)	(349)
Accrued payroll	(2)	80	78
Accrued compensated absences	(23)	61	38
Unearned revenue	-	24	24
Accrued claims and judgements	(9)	6,748	6,739
Net pension liability and related deferred outflows/inflows of resources	893	341	1,234
Net OPEB liability and related deferred outflows/inflows of resources	41	(17)	24
Net cash provided by operating activities	<u>\$ 19,874</u>	<u>\$ 3,268</u>	<u>\$ 23,142</u>
Noncash investing, capital and financing activities:			
Amortization of bond premium, discount	\$ 40	\$ -	\$ 40
Decrease in prepaid items for capital assets	1,022	-	1,022
Capital asset acquisitions on accounts payable	871	-	871

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INVESTMENT TRUST FUNDS

Investment trust funds account for assets and related liabilities of legally separate entities for which the City provides investment services.

Investment Pool is used to account for assets and liabilities held for external participants in the City Sponsored Investment Pool.

Individual Investment Accounts are used to account for assets and liabilities, held for entities external to the City, which are not invested in the City Sponsored Investment Pool.

City of Sacramento
Investment Trust Funds
Combining Statement of Net Position

June 30, 2019
(in thousands)

	<u>Investment Pool</u>	<u>Individual Investment Accounts</u>	<u>Total Investment Trust Funds</u>
<u>ASSETS</u>			
Cash and investments held by City	\$ 74,506	\$ 92,236	\$ 166,742
Receivables, net:			
Interest	<u>251</u>	<u>314</u>	<u>565</u>
Total assets	<u>74,757</u>	<u>92,550</u>	<u>167,307</u>
<u>NET POSITION</u>			
Held in trust	<u>\$ 74,757</u>	<u>\$ 92,550</u>	<u>\$ 167,307</u>

City of Sacramento
Investment Trust Funds
Combining Statement of Changes in Net Position

For the Fiscal Year Ended June 30, 2019
(in thousands)

	<u>Investment Pool</u>	<u>Individual Investment Accounts</u>	<u>Total Investment Trust Funds</u>
Additions:			
From investment activities:			
Net appreciation in fair value of investments	\$ 718	\$ 1,221	\$ 1,939
Interest	<u>1,550</u>	<u>2,077</u>	<u>3,627</u>
Total investment earnings	2,268	3,298	5,566
Less investment expenses:			
Banking, interest, and fiscal agent expenses	<u>156</u>	<u>-</u>	<u>156</u>
Net income from investment activities	2,112	3,298	5,410
Deposits	<u>75,019</u>	<u>2,806</u>	<u>77,825</u>
Total additions	77,131	6,104	83,235
Deductions:			
Withdrawals	<u>72,676</u>	<u>33</u>	<u>72,709</u>
Changes in net position	4,455	6,071	10,526
Net position, beginning of year	<u>70,302</u>	<u>86,479</u>	<u>156,781</u>
Net position, end of year	<u>\$ 74,757</u>	<u>\$ 92,550</u>	<u>\$ 167,307</u>

City of Sacramento
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2019
(in thousands)

ASSESSMENT DISTRICTS FUND	Balance Beginning of Fiscal Year	Additions	Deletions	Balance End of Fiscal Year
ASSETS				
Cash and investments held by City	\$ 1,849	\$ 1,062	\$ 1,077	\$ 1,834
Cash and investments held by fiscal agent	889	995	976	908
Receivables, net:				
Accounts	8	9	8	9
Total assets	<u>\$ 2,746</u>	<u>\$ 2,066</u>	<u>\$ 2,061</u>	<u>\$ 2,751</u>
LIABILITIES				
Accounts payable	\$ 8	\$ 2	\$ 10	\$ -
Due to bondholders	2,738	28	15	2,751
Total liabilities	<u>\$ 2,746</u>	<u>\$ 30</u>	<u>\$ 25</u>	<u>\$ 2,751</u>

COMMUNITY FACILITIES DISTRICTS FUND	Balance Beginning of Fiscal Year	Additions	Deletions	Balance End of Fiscal Year
ASSETS				
Cash and investments held by City	\$ 13,257	\$ 21,584	\$ 19,509	\$ 15,332
Cash and investments held by fiscal agent	17,010	16,236	14,852	18,394
Receivables, net:				
Taxes	165	356	231	290
Interest	33	46	33	46
Total assets	<u>\$ 30,465</u>	<u>\$ 38,222</u>	<u>\$ 34,625</u>	<u>\$ 34,062</u>
LIABILITIES				
Liabilities:				
Accounts payable	\$ -	\$ 451	\$ 80	\$ 371
Due to bondholders	30,465	3,842	616	33,691
Total liabilities	<u>\$ 30,465</u>	<u>\$ 4,293</u>	<u>\$ 696</u>	<u>\$ 34,062</u>

TOTAL - ALL AGENCY FUNDS	Balance Beginning of Fiscal Year	Additions	Deletions	Balance End of Fiscal Year
ASSETS				
Cash and investments held by City	\$ 15,106	\$ 22,646	\$ 20,586	\$ 17,166
Cash and investments held by fiscal agent	17,899	17,231	15,828	19,302
Receivables, net:				
Taxes	165	356	231	290
Accounts	8	9	8	9
Interest	33	46	33	46
Total assets	<u>\$ 33,211</u>	<u>\$ 40,288</u>	<u>\$ 36,686</u>	<u>\$ 36,813</u>
LIABILITIES				
Liabilities:				
Accounts payable	\$ 8	\$ 453	\$ 90	\$ 371
Due to bondholders	33,203	3,870	631	36,442
Total liabilities	<u>\$ 33,211</u>	<u>\$ 4,323</u>	<u>\$ 721</u>	<u>\$ 36,813</u>

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Statistical Section

Statistical Section

This part of the City's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends Information

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity Information

These schedules contain trend information to help the reader understand the City's most significant local revenue source, property taxes.

Debt Capacity Information

These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Successor Agency Information

These schedules present revenue and debt capacity information related to the Successor Agency for the former Redevelopment Agency of the City of Sacramento. These schedules contain trend information to help the reader understand the Successor Agency's primary revenue source, property tax distributions from the county redevelopment property tax trust fund, and affordability of the Successor Agency's current level of outstanding debt.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

City of Sacramento
Net Position by Component ^{(1) (2) (3) (4) (5) (6)}
Last Ten Fiscal Years

(accrual basis accounting, in thousands)

	Fiscal Year				
	2010	2011	2012	2013	2014
Governmental activities					
Net investment in capital assets	\$ 1,286,576	\$ 1,328,932	\$ 1,367,540	\$ 1,369,377	\$ 1,393,447
Restricted for:					
Capital projects	186,619	156,157	149,904	131,822	116,271
Debt service	494	1,105	1,101	641	652
Public works programs	-	21,484	18,103	16,756	16,462
Economic development programs	-	-	-	23,979	22,493
Ambulance services	-	-	-	-	-
Other programs	32,443	23,544	23,274	21,087	22,315
Trust and endowments:					
Expendable	4,690	5,659	6,870	7,225	7,928
Nonexpendable	1,934	1,934	878	878	878
Unrestricted	76,953	16,107	6,128	1,837	30,170
Total governmental activities net position	<u>\$ 1,589,709</u>	<u>\$ 1,554,922</u>	<u>\$ 1,573,798</u>	<u>\$ 1,573,602</u>	<u>\$ 1,610,616</u>
Business-type activities					
Net investment in capital assets	\$ 691,197	\$ 701,157	\$ 705,527	\$ 720,039	\$ 733,980
Restricted for:					
Capital projects	25,781	30,184	33,209	33,168	33,255
Other programs	-	-	530	349	1,215
Unrestricted	106,148	113,804	123,265	140,385	177,814
Total business-type activities net position	<u>\$ 823,126</u>	<u>\$ 845,145</u>	<u>\$ 862,531</u>	<u>\$ 893,941</u>	<u>\$ 946,264</u>
Primary government					
Net investment in capital assets	\$ 1,977,773	\$ 2,030,089	\$ 2,073,067	\$ 2,089,416	\$ 2,127,427
Restricted for:					
Capital projects	212,400	186,341	183,113	164,990	149,526
Debt service	494	1,105	1,101	641	652
Public works programs	-	21,484	18,103	16,756	16,462
Economic development programs	-	-	-	23,979	22,493
Ambulance services	-	-	-	-	-
Other programs	32,443	23,544	23,804	21,436	23,530
Trust and endowments:					
Expendable	4,690	5,659	6,870	7,225	7,928
Nonexpendable	1,934	1,934	878	878	878
Unrestricted	183,101	129,911	129,393	142,222	207,984
Total primary government net position	<u>\$ 2,412,835</u>	<u>\$ 2,400,067</u>	<u>\$ 2,436,329</u>	<u>\$ 2,467,543</u>	<u>\$ 2,556,880</u>

- Notes: (1) The City of Sacramento implemented GASB 63 for the period ended June 30, 2011. "Net Position" prior to the implementation was reported as "Net Assets".
- (2) The fiscal year 2013 net position restricted for economic development includes the remaining Sheraton proceeds restricted by the Master Owner Participation Agreement with Taylor/CIM Redevelopment Company, LLC.
- (3) Net position for governmental activities for all fiscal years prior to 2014 have been restated to remove the Cal EPA building and land.
- (4) Fiscal year 2013 amounts have been restated for the effects of the prior period adjustments for debt issuance costs and the reclassification of the Marina fund.
- (5) Fiscal year 2015 beginning net position was restated due to the implementation of GASB 68 and GASB 71.
- (6) Fiscal year 2017 beginning net position was restated due to the implementation of GASB 75.

Source: City of Sacramento Comprehensive Annual Financial Reports

City of Sacramento
Net Position by Component ^{(1) (2) (3) (4) (5) (6)}
Last Ten Fiscal Years

(accrual basis accounting, in thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
Governmental activities					
Net investment in capital assets	\$ 1,445,139	\$ 1,497,796	\$ 1,296,493	\$ 1,335,576	\$ 1,267,837
Restricted for:					
Capital projects	116,910	80,054	119,131	136,831	166,705
Debt service	665	1,203	872	606	686
Public works programs	19,027	20,521	18,866	24,750	27,792
Economic development programs	17,280	16,888	16,251	44,920	48,878
Ambulance services	1,085	1,085	-	-	-
Other programs	26,735	28,381	23,645	26,786	39,380
Trust and endowments:					
Expendable	7,789	8,008	8,545	8,656	9,197
Nonexpendable	878	878	878	878	878
Unrestricted	(591,896)	(581,697)	(443,845)	(667,254)	(606,222)
Total governmental activities net position	<u>\$ 1,043,612</u>	<u>\$ 1,073,117</u>	<u>\$ 1,040,836</u>	<u>\$ 911,749</u>	<u>\$ 955,131</u>
Business-type activities					
Net investment in capital assets	\$ 748,312	\$ 785,353	\$ 807,004	\$ 869,183	\$ 925,128
Restricted for:					
Capital projects	33,914	40,772	39,155	38,473	40,411
Other programs	1,730	2,203	2,607	2,633	2,963
Unrestricted	107,305	123,842	150,049	124,001	138,742
Total business-type activities net position	<u>\$ 891,261</u>	<u>\$ 952,170</u>	<u>\$ 998,815</u>	<u>\$ 1,034,290</u>	<u>\$ 1,107,244</u>
Primary government					
Net investment in capital assets	\$ 2,193,451	\$ 2,283,149	\$ 2,103,497	\$ 2,204,759	\$ 2,192,965
Restricted for:					
Capital projects	150,824	120,826	158,286	175,304	207,116
Debt service	665	1,203	872	606	686
Public works programs	19,027	20,521	18,866	24,750	27,792
Economic development programs	17,280	16,888	16,251	44,920	48,878
Ambulance services	1,085	1,085	-	-	-
Other programs	28,465	30,584	26,252	29,419	42,343
Trust and endowments:					
Expendable	7,789	8,008	8,545	8,656	9,197
Nonexpendable	878	878	878	878	878
Unrestricted	(484,591)	(457,855)	(293,796)	(543,253)	(467,480)
Total primary government net position	<u>\$ 1,934,873</u>	<u>\$ 2,025,287</u>	<u>\$ 2,039,651</u>	<u>\$ 1,946,039</u>	<u>\$ 2,062,375</u>

- Notes: (1) The City of Sacramento implemented GASB 63 for the period ended June 30, 2011. "Net Position" prior to the implementation was reported as "Net Assets".
- (2) The fiscal year 2013 net position restricted for economic development includes the remaining Sheraton proceeds restricted by the Master Owner Participation Agreement with Taylor/CIM Redevelopment Company, LLC.
- (3) Net position for governmental activities for all fiscal years prior to 2014 have been restated to remove the Cal EPA building and land.
- (4) Fiscal year 2013 amounts have been restated for the effects of the prior period adjustments for debt issuance costs and the reclassification of the Marina fund.
- (5) Fiscal year 2015 beginning net position was restated due to the implementation of GASB 68 and GASB 71.
- (6) Fiscal year 2017 beginning net position was restated due to the implementation of GASB 75.

Source: City of Sacramento Comprehensive Annual Financial Reports

City of Sacramento
Changes in Net Position ^{(1) (2) (3)}
Last Ten Fiscal Years

(accrual basis of accounting, in thousands)

	Fiscal Year				
	2010	2011	2012	2013	2014
Expenses ⁽³⁾					
<i>Governmental activities</i>					
General government	\$ 44,278	\$ 42,238	\$ 40,846	\$ 36,681	\$ 41,190
Police	152,922	159,908	153,392	157,432	157,248
Fire	109,210	111,174	116,418	117,451	125,461
Public works	-	-	-	126,636	103,632
General services ⁽⁴⁾	26,110	22,614	23,083	15,343	13,807
Transportation	89,358	97,350	98,384	-	-
Economic development ⁽⁵⁾	9,815	10,467	9,704	10,468	17,080
Convention and cultural services	18,064	21,348	19,857	19,537	17,916
Youth, parks, and community enrichment	51,984	56,162	45,448	48,457	52,336
Code enforcement	10,984	-	-	-	-
Community development	18,848	25,821	24,286	29,253	26,484
Neighborhood services	1,105	-	-	-	-
Library	16,827	14,635	13,301	13,753	13,720
Interest on long-term debt	29,658	24,903	23,583	22,420	22,178
Total governmental activities expenses	579,163	586,620	568,302	597,431	591,052
<i>Business-type activities</i>					
Water	60,902	63,073	67,335	68,643	66,627
Wastewater	17,389	18,990	20,491	22,776	25,673
Storm drainage	37,040	37,815	37,692	36,755	36,664
Solid waste	47,076	48,203	53,205	49,794	49,014
Community center	19,563	18,530	18,125	17,251	17,204
Parking	16,390	15,786	15,732	15,358	15,238
Child development	6,797	6,274	5,885	6,116	6,297
Marina	1,625	2,662	2,008	-	-
Total business-type activities expenses	206,782	211,333	220,473	216,693	216,717
Total primary government expenses	\$ 785,945	\$ 797,953	\$ 788,775	\$ 814,124	\$ 807,769

Notes: (1) The City of Sacramento implemented GASB 63 for the period ended June 30, 2011. "Net Position" prior to the implementation was reported as "Net Assets".

(2) The expenses reported in the governmental activities and business-type activities are net of indirect charges between the departments.

(3) Fiscal year 2013 amounts have been restated for the effects of the prior period adjustments for debt issuance costs and the reclassification of the Marina fund.

(4) The Department of General Services has been reallocated to the Departments of Community Development, Information Technology, and Public Works in FY16.

(5) The Department of Economic Development has been reallocated to the Departments of General Government in FY18.

Source: City of Sacramento Comprehensive Annual Financial Reports

City of Sacramento
Changes in Net Position ^{(1) (2) (3)}
Last Ten Fiscal Years

(accrual basis of accounting, in thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
Expenses ⁽³⁾					
<i>Governmental activities</i>					
General government	\$ 52,474	\$ 59,037	\$ 59,033	\$ 100,625	\$ 116,282
Police	166,797	164,750	176,955	199,746	203,303
Fire	127,561	137,859	146,693	160,216	169,819
Public works	103,088	121,184	106,328	122,340	132,958
General services ⁽⁴⁾	15,619	-	-	-	-
Transportation	-	-	-	-	-
Economic development ⁽⁵⁾	11,075	13,049	13,397	-	-
Convention and cultural services	19,441	24,139	20,380	21,066	30,907
Youth, parks, and community enrichment	56,573	53,911	50,156	55,518	61,225
Code enforcement	-	-	-	-	-
Community development	30,221	36,251	41,726	50,879	60,466
Neighborhood services	-	-	-	-	-
Library	15,629	16,294	16,122	17,376	18,687
Interest on long-term debt	29,046	30,404	27,626	23,144	23,454
Total governmental activities expenses	627,524	656,878	658,416	750,910	817,101
<i>Business-type activities</i>					
Water	69,428	73,150	80,176	87,745	99,029
Wastewater	25,432	25,348	29,075	28,251	33,059
Storm drainage	41,830	40,971	40,479	41,199	40,186
Solid waste	47,149	47,703	51,693	56,698	57,408
Community center	17,690	17,277	16,607	17,795	27,058
Parking	13,704	14,451	11,955	13,475	14,354
Child development	6,151	5,519	5,743	6,589	6,766
Marina	-	-	-	-	-
Total business-type activities expenses	221,384	224,419	235,728	251,752	277,860
Total primary government expenses	\$ 848,908	\$ 881,297	\$ 894,144	\$ 1,002,662	\$ 1,094,961

Notes: (1) The City of Sacramento implemented GASB 63 for the period ended June 30, 2011. "Net Position" prior to the implementation was reported as "Net Assets".

(2) The expenses reported in the governmental activities and business-type activities are net of indirect charges between the departments.

(3) Fiscal year 2013 amounts have been restated for the effects of the prior period adjustments for debt issuance costs and the reclassification of the Marina fund.

(4) The Department of General Services has been reallocated to the Departments of Community Development, Information Technology, and Public Works in FY16.

(5) The Department of Economic Development has been reallocated to the Departments of General Government in FY18.

Source: City of Sacramento Comprehensive Annual Financial Reports

City of Sacramento
Changes in Net Position ^{(1) (2) (3)}
Last Ten Fiscal Years

(accrual basis of accounting, in thousands)

	Fiscal Year				
	2010	2011	2012	2013	2014
Program Revenues					
<i>Governmental activities</i>					
Charge for services					
General government	\$ 6,614	\$ 5,827	\$ 5,608	\$ 6,924	\$ 7,270
Police	4,098	10,316	9,714	9,693	10,804
Fire	22,711	21,998	21,643	24,288	26,155
Public works	-	-	-	28,321	30,337
General services ⁽⁴⁾	9,964	10,442	10,965	3,175	1,756
Transportation	28,857	28,614	28,309	-	-
Economic development ⁽⁵⁾	8,497	9,136	8,800	8,685	8,205
Convention and cultural services	9,689	9,364	7,985	8,817	9,311
Youth, parks, and community enrichment	10,122	10,039	11,579	10,604	13,359
Code enforcement	5,627	-	-	-	-
Community development	8,752	15,409	15,459	15,423	17,141
Neighborhood services	166	-	-	-	-
Library	-	-	-	33	59
Total charge for services	115,097	121,145	120,062	115,963	124,397
Operating grants and contributions	59,179	51,289	54,287	81,822	47,430
Capital grants and contributions	90,888	69,234	112,247	69,323	89,539
Total governmental activities program revenues	265,164	241,668	286,596	267,108	261,366
<i>Business-type activities</i>					
Charge for services					
Water	70,463	79,315	79,809	88,754	94,382
Wastewater	20,284	21,360	21,513	25,134	28,493
Storm drainage	34,082	34,160	34,545	35,682	38,049
Solid waste	58,901	62,906	64,055	60,295	58,561
Community center	7,020	6,780	7,521	7,130	7,718
Parking	18,784	18,660	18,769	18,823	18,643
Child development	5,473	5,309	5,232	5,426	5,632
Marina	1,782	1,464	1,359	-	-
Total charge for services	216,789	229,954	232,803	241,244	251,478
Operating grants and contributions	2,381	2,358	3,744	1,095	1,963
Capital grants and contributions	14,148	10,417	5,289	7,480	4,403
Total business-type activities program revenues	233,318	242,729	241,836	249,819	257,844
Total primary government program revenues	\$ 498,482	\$ 484,397	\$ 528,432	\$ 516,927	\$ 519,210
Net (Expense) Revenue					
Governmental activities	\$ (313,999)	\$ (344,952)	\$ (281,706)	\$ (330,323)	\$ 261,366
Business-type activities	26,536	31,396	21,363	33,126	208,830
Total primary government net expenses	\$ (287,463)	\$ (313,556)	\$ (260,343)	\$ (297,197)	\$ 470,196

Notes: (1) The City of Sacramento implemented GASB 63 for the period ended June 30, 2011. "Net Position" prior to the implementation was reported as "Net Assets".

(2) The expenses reported in the governmental activities and business-type activities are net of indirect charges between the departments.

(3) Fiscal year 2013 amounts have been restated for the effects of the prior period adjustments for debt issuance costs and the reclassification of the Marina fund.

(4) The Department of General Services has been reallocated to the Departments of Community Development, Information Technology, and Public Works in FY16.

(5) The Department of Economic Development has been reallocated to the Departments of General Government in FY18.

Source: City of Sacramento Comprehensive Annual Financial Reports

City of Sacramento
Changes in Net Position ^{(1) (2) (3)}
Last Ten Fiscal Years

(accrual basis of accounting, in thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
Program Revenues					
<i>Governmental activities</i>					
Charge for services					
General government	\$ 6,436	\$ 7,103	\$ 6,573	\$ 19,438	\$ 22,908
Police	11,583	11,022	13,068	12,586	14,550
Fire	32,264	31,204	30,897	42,898	42,866
Public works	32,840	37,179	42,897	50,159	52,901
General services ⁽⁴⁾	1,251	-	-	-	-
Transportation	-	-	-	-	-
Economic development ⁽⁵⁾	7,659	7,889	9,140	-	-
Convention and cultural services	9,303	10,085	10,860	12,456	12,622
Youth, parks, and community enrichment	15,004	13,792	12,954	13,065	13,365
Code enforcement	-	-	-	-	-
Community development	25,069	27,025	32,428	36,019	38,218
Neighborhood services	-	-	-	-	-
Library	29	-	-	-	-
Total charge for services	141,438	145,299	158,817	186,621	197,430
Operating grants and contributions	52,306	35,442	36,938	41,811	55,535
Capital grants and contributions	115,354	122,528	86,856	101,476	98,903
Total governmental activities program revenues	309,098	303,269	282,611	329,908	351,868
<i>Business-type activities</i>					
Charge for services					
Water	100,523	98,533	108,867	119,379	127,868
Wastewater	32,223	31,532	34,311	37,596	42,275
Storm drainage	37,646	40,166	40,124	39,512	39,969
Solid waste	59,095	60,253	61,548	63,556	63,664
Community center	8,748	8,782	9,488	9,848	8,726
Parking	16,595	17,646	18,374	19,003	19,735
Child development	5,553	6,073	5,713	6,419	6,547
Marina	-	-	-	-	-
Total charge for services	260,383	262,985	278,425	295,313	308,784
Operating grants and contributions	2,142	3,435	3,967	2,179	3,300
Capital grants and contributions	7,292	7,433	6,229	23,726	20,457
Total business-type activities program revenues	269,817	273,853	288,621	321,218	332,541
Total primary government program revenues	<u>\$ 578,915</u>	<u>\$ 577,122</u>	<u>\$ 571,232</u>	<u>\$ 651,126</u>	<u>\$ 684,409</u>
Net (Expense) Revenue					
Governmental activities	\$ (318,426)	\$ (353,609)	\$ (375,805)	\$ (421,002)	\$ (465,233)
Business-type activities	48,433	49,434	52,893	69,466	54,681
Total primary government net expenses	<u>\$ (269,993)</u>	<u>\$ (304,175)</u>	<u>\$ (322,912)</u>	<u>\$ (351,536)</u>	<u>\$ (410,552)</u>

Notes: (1) The City of Sacramento implemented GASB 63 for the period ended June 30, 2011. "Net Position" prior to the implementation was reported as "Net Assets".

(2) The expenses reported in the governmental activities and business-type activities are net of indirect charges between the departments.

(3) Fiscal year 2013 amounts have been restated for the effects of the prior period adjustments for debt issuance costs and the reclassification of the Marina fund.

(4) The Department of General Services has been reallocated to the Departments of Community Development, Information Technology, and Public Works in FY16.

(5) The Department of Economic Development has been reallocated to the Departments of General Government in FY18.

City of Sacramento
Changes in Net Position ^{(1) (2) (3)}
Last Ten Fiscal Years

(accrual basis of accounting, in thousands)

	Fiscal Year				
	2010	2011	2012	2013	2014
General Revenues and Other					
Changes in Net Position					
<i>Governmental activities</i>					
Taxes:					
Property taxes	\$ 123,681	\$ 118,801	\$ 114,874	\$ 114,451	\$ 122,477
Utility user taxes	58,693	58,907	58,787	59,066	59,613
Other taxes	18,591	18,327	17,403	27,943	61,584
Sales taxes shared state revenue	46,769	47,680	50,683	52,300	56,575
In-lieu sales tax	14,332	14,548	14,081	16,113	16,823
Grants and other intergovernmental revenue not restricted to specific programs	4,591	2,610	-	-	-
Investment earnings	11,508	6,260	10,953	10,101	10,136
Miscellaneous	12,743	12,464	11,005	9,749	8,853
Contributions to permanent fund	-	4	1	1	1
Gain (loss) on disposition of capital assets	-	2,336	-	-	4,567
Special items	-	-	-	26,208	(2,500)
Transfers	19,365	28,229	22,722	19,002	28,571
Total governmental activities	310,273	310,166	300,509	334,934	366,700
<i>Business-type activities</i>					
Taxes:					
Other taxes	14,233	15,403	15,781	16,555	17,943
Investment earnings	4,964	3,449	2,957	1,299	3,294
Miscellaneous	-	-	-	-	3
Gain (loss) on disposition of capital assets	17	-	7	-	-
Special items	-	-	-	-	18,527
Transfers	(19,365)	(28,229)	(22,722)	(19,002)	(28,571)
Total business-type activities	(151)	(9,377)	(3,977)	(1,148)	11,196
Total primary government	\$ 310,122	\$ 300,789	\$ 296,532	\$ 333,786	\$ 377,896
Change in Net Position					
Governmental activities	\$ (3,726)	\$ (34,786)	\$ 18,803	\$ 4,611	\$ 366,700
Business-type activities	26,385	22,019	17,386	31,978	11,196
Total primary government	\$ 22,659	\$ (12,767)	\$ 36,189	\$ 36,589	\$ 377,896

Notes: (1) The City of Sacramento implemented GASB 63 for the period ended June 30, 2011. "Net Position" prior to the implementation was reported as "Net Assets".

(2) The expenses reported in the governmental activities and business-type activities are net of indirect charges between the departments.

(3) Fiscal year 2013 amounts have been restated for the effects of the prior period adjustments for debt issuance costs and the reclassification of the Marina fund.

City of Sacramento
Changes in Net Position ^{(1) (2) (3)}
Last Ten Fiscal Years

(accrual basis of accounting, in thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
General Revenues and Other					
Changes in Net Position					
<i>Governmental activities</i>					
Taxes:					
Property taxes	\$ 129,714	\$ 138,354	\$ 146,697	\$ 156,710	\$ 170,439
Utility user taxes	59,947	61,404	62,997	62,989	60,128
Other taxes	66,205	70,761	77,608	83,981	105,997
Sales taxes shared state revenue	58,476	67,983	81,296	82,987	93,770
In-lieu sales tax	16,632	14,387	-	-	-
Grants and other intergovernmental revenue not restricted to specific programs	-	-	-	-	-
Investment earnings	8,769	11,328	9,178	5,593	20,923
Miscellaneous	11,060	12,954	14,221	17,328	14,834
Contributions to permanent fund	1	-	-	-	-
Gain (loss) on disposition of capital assets	5,340	-	(79,916)	-	-
Special items	-	(8,830)	-	-	7,000
Transfers	32,148	14,773	31,443	34,525	35,524
Total governmental activities	388,292	383,114	343,524	444,113	508,615
<i>Business-type activities</i>					
Taxes:					
Other taxes	20,108	21,800	23,866	26,839	29,477
Investment earnings	1,567	4,428	1,292	1,013	20,020
Miscellaneous	5	20	20	37	-
Gain (loss) on disposition of capital assets	-	-	17	424	1,747
Special items	4,554	-	-	-	2,553
Transfers	(32,148)	(14,773)	(31,443)	(34,525)	(35,524)
Total business-type activities	(5,914)	11,475	(6,248)	(6,212)	18,273
Total primary government	\$ 382,378	\$ 394,589	\$ 337,276	\$ 437,901	\$ 526,888
Change in Net Position					
Governmental activities	\$ 69,866	\$ 29,505	\$ (32,281)	\$ 23,111	\$ 43,382
Business-type activities	42,519	60,909	47,180	63,254	72,954
Total primary government	\$ 112,385	\$ 90,414	\$ 14,899	\$ 86,365	\$ 116,336

Notes: (1) The City of Sacramento implemented GASB 63 for the period ended June 30, 2011. "Net Position" prior to the implementation was reported as "Net Assets".

(2) The expenses reported in the governmental activities and business-type activities are net of indirect charges between the departments.

(3) Fiscal year 2013 amounts have been restated for the effects of the prior period adjustments for debt issuance costs and the reclassification of the Marina fund.

Source: City of Sacramento Comprehensive Annual Financial Reports

City of Sacramento
Fund Balances, Governmental Funds ^{(1) (2)}
Last Ten Fiscal Years
(modified accrual basis of accounting, in thousands)

	Fiscal Year				
	2010	2011	2012	2013	2014
General Fund					
Reserved for:					
Noncurrent assets	\$ 514	\$ -	\$ -	\$ -	\$ -
Encumbrances	6,301	-	-	-	-
Inventories and prepaids	304	-	-	-	-
Unreserved	47,988	-	-	-	-
Nonspendable:					
Prepaid items	-	63	23	24	66
Due from Other Funds	-	-	-	-	-
Noncurrent assets	-	245	71	48	-
Restricted:					
Capital projects	-	-	-	-	3,401
Ambulance service	-	-	-	-	-
Other programs	-	86	64	40	21
Committed:					
Economic uncertainty	-	14,340	20,263	27,765	33,714
Capital projects	-	19,612	21,542	21,789	21,728
Community center theater renovation	-	-	-	8,500	8,500
B Street Theater project	-	-	-	-	-
Fire programs	-	-	-	-	-
Pension	-	-	-	-	-
OPEB	-	-	-	2,000	-
SCXEA labor for FY2020	-	-	-	-	-
Homeless programs	-	-	-	-	1,000
Gas tax	-	-	-	-	-
Other programs	-	12,468	9,349	9,347	12,909
Assigned:					
Unrealized investment gains	-	972	402	-	173
Next year's budget	-	5,138	9,354	10,446	-
Unassigned	-	-	-	-	17,395
Total general fund	\$ 55,107	\$ 52,924	\$ 61,068	\$ 79,959	\$ 98,907
All Other Governmental Funds					
Reserved for:					
Noncurrent assets	\$ 1,149	\$ -	\$ -	\$ -	\$ -
Encumbrances	30,000	-	-	-	-
Debt service	20,269	-	-	-	-
Inventories and prepaids	35	-	-	-	-
Trust obligations	1,934	-	-	-	-
Capital projects	2,210	-	-	-	-
Unreserved, reported in:					
Special revenue funds	93,583	-	-	-	-
Capital projects funds	100,308	-	-	-	-
Debt service funds	10,047	-	-	-	-
Permanent funds	2,798	-	-	-	-
Nonspendable:					
Prepaid items	-	30	29	44	24
Noncurrent assets	-	1,577	605	530	451
Permanent fund principal	-	1,934	878	878	878
Restricted:					
Capital projects	-	161,365	150,475	135,069	126,262
Debt service	-	20,870	18,230	17,472	17,548
Public works programs	-	-	-	13,781	11,830
Ambulance service	-	-	-	-	-
Economic development programs	-	-	-	23,970	22,484
Other programs	-	50,264	50,026	31,115	29,924
Committed:					
Capital projects	-	606	469	3,666	4,024
Grant retention	-	-	-	-	4,049
Debt service	-	2,278	2,278	2,278	6,583
B Street Theater project	-	-	-	-	-
Economic development programs	-	-	-	-	5,125
Other programs	-	646	2,096	6,266	25,486
Assigned:					
Debt service	-	2,878	2,068	1,805	973
Unrealized investment gains	-	120	42	100	47
Other programs	-	2,281	4,093	3,758	4,047
Unassigned	-	(31,287)	(48,094)	(29,711)	(22,121)
Total all other governmental funds	\$ 262,333	\$ 213,562	\$ 183,195	\$ 211,021	\$ 237,614

Notes: (1) The City of Sacramento implemented GASB 54 for the period ended June 30, 2011. GASB 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.
(2) FY13 amounts have been restated for the effects of Marina fund reclassification to a governmental activity.

City of Sacramento
Fund Balances, Governmental Funds ^{(1) (2)}
Last Ten Fiscal Years
(modified accrual basis of accounting, in thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
General Fund					
Reserved for:					
Noncurrent assets	\$ -	\$ -	\$ -	\$ -	\$ -
Encumbrances	-	-	-	-	-
Inventories and prepaids	-	-	-	-	-
Unreserved	-	-	-	-	-
Nonspendable:					
Prepaid items	7	2	12	45	-
Due from other Funds	-	-	3,800	3,800	-
Noncurrent assets	4	-	-	-	-
Restricted:					
Capital projects	2,562	1,860	-	-	-
Ambulance service	1,085	1,085	-	-	-
Other programs	7	17	17	-	-
Committed:					
Economic uncertainty	38,967	46,950	49,644	52,700	55,200
Capital projects	32,987	37,526	49,265	37,583	39,995
Community center theater renovation	8,500	8,500	-	-	-
B Street Theater project	2,500	-	-	-	-
Fire programs	4,420	5,720	1,386	6,189	9,568
Pension	-	-	-	5,000	13,500
OPEB	6,717	6,752	5,324	2,619	6,644
SCXEA labor for FY2020	-	-	-	-	4,256
Homeless programs	750	250	-	-	-
Gas tax	-	-	2,087	2,087	2,087
Other programs	8,860	13,953	19,280	37,325	46,052
Assigned:					
Unrealized investment gains	50	732	-	-	381
Next year's budget	-	-	-	-	-
Unassigned	16,028	26,649	24,739	25,021	32,923
Total general fund	\$ 123,444	\$ 149,996	\$ 155,554	\$ 172,369	\$ 210,606
All Other Governmental Funds					
Reserved for:					
Noncurrent assets	\$ -	\$ -	\$ -	\$ -	\$ -
Encumbrances	-	-	-	-	-
Debt service	-	-	-	-	-
Inventories and prepaids	-	-	-	-	-
Trust obligations	-	-	-	-	-
Capital projects	-	-	-	-	-
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Debt service funds	-	-	-	-	-
Permanent funds	-	-	-	-	-
Nonspendable:					
Prepaid items	24	-	-	-	-
Noncurrent assets	369	283	193	98	-
Permanent fund principal	878	878	878	878	878
Restricted:					
Capital projects	124,790	138,562	149,664	159,439	183,772
Debt service	20,218	51,691	58,904	28,539	28,119
Public works programs	-	14,522	13,152	18,857	22,071
Ambulance service	13,842	-	-	-	-
Economic development programs	17,271	16,887	41,548	44,920	48,878
Other programs	27,029	27,793	28,818	35,025	48,003
Committed:					
Capital projects	3,355	7,017	9,359	18,245	14,407
Grant retention	500	-	-	-	-
Debt service	5,660	8,733	19,110	21,543	17,291
B Street Theater project	16,391	21,360	-	-	-
Economic development programs	-	-	-	-	-
Other programs	50,001	51,024	56,715	40,683	48,473
Assigned:					
Debt service	717	2,547	2,406	2,008	2,700
Unrealized investment gains	15	40	-	-	51
Other programs	2,344	60	-	360	18
Unassigned	(26,554)	(19,657)	(18,037)	(22,656)	(18,503)
Total all other governmental funds	\$ 256,850	\$ 321,740	\$ 362,710	\$ 347,939	\$ 396,158

Notes: (1) The City of Sacramento implemented GASB 54 for the period ended June 30, 2011. GASB 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.
(2) FY13 amounts have been restated for the effects of Marina fund reclassification to a governmental activity.

City of Sacramento
Changes in Fund Balances, Governmental Funds ⁽¹⁾
Last Ten Fiscal Years

(modified accrual basis of accounting, in thousands)

	Fiscal Year				
	2010	2011	2012	2013	2014
Revenues					
Taxes	\$ 260,749	\$ 254,705	\$ 256,564	\$ 265,605	\$ 320,832
Intergovernmental	174,214	125,758	154,937	154,556	105,172
Charges for services	62,962	67,831	62,760	66,369	71,889
Fines, forfeits and penalties	12,118	11,093	11,891	9,892	11,221
Interest, rents, and concessions	10,928	9,627	15,494	13,909	14,417
Community service fees	7,875	3,647	3,058	7,136	4,693
Assessment levies	31,970	33,482	35,294	37,621	38,668
Contributions and donations	7,972	9,440	6,170	14,269	43,018
Miscellaneous	196	411	2,090	3,441	570
Total revenues	568,984	515,994	548,258	572,798	610,480
Expenditures					
General government	27,471	26,049	24,610	22,712	26,170
Police	147,059	144,081	142,204	138,779	138,653
Fire	102,430	97,573	98,749	99,630	107,538
Public works	-	-	-	34,995	34,706
General services ⁽²⁾	21,025	19,353	19,388	10,306	9,564
Transportation	31,023	29,708	33,183	-	-
Neighborhood services	1,007	-	-	-	-
Convention and cultural services	13,196	13,291	10,670	9,804	10,481
Economic development ⁽³⁾	9,136	9,819	9,396	10,221	12,418
Youth, parks, and community enrichment ⁽⁴⁾	40,312	36,650	30,393	32,257	35,632
Code enforcement	10,279	-	-	-	-
Community development	15,873	23,307	21,819	23,568	23,902
Library	12,366	12,398	11,739	12,362	12,482
Utilities	67	137	97	979	607
Nondepartmental	26,818	33,407	32,269	-	-
Citywide and community support	-	-	-	33,105	36,965
Capital outlay	156,146	91,902	118,259	116,705	106,840
Debt service					
City					
Principal	18,577	44,189	21,595	19,470	26,218
Interest and fiscal charges	29,697	25,209	24,028	22,949	22,772
Bond issuance costs	-	-	-	-	-
Subtotal - debt service	48,274	69,398	45,623	42,419	48,990
Total Expenditures	662,482	607,073	598,399	587,842	604,948
Excess (deficiency) of revenues over (under) expenditures	(93,498)	(91,079)	(50,141)	(15,044)	5,532
Other Financing Sources (uses)					
Transfers in	53,621	58,006	55,435	55,166	63,584
Transfers out	(30,241)	(27,025)	(27,590)	(27,450)	(34,527)
Issuance of long-term debt	22,963	6,808	73	-	6,050
Premium on long term debt	-	-	-	-	-
Proceeds from sale of property	-	2,336	-	-	4,902
Proceeds of long-term capital-related debt	-	-	-	2,837	-
Payments to participating governments	-	-	-	-	-
Payments to refunded bond escrow	-	-	-	-	-
Total other financing sources (uses)	46,343	40,125	27,918	30,553	40,009
Special items	-	-	-	31,208	-
Changes in fund balances	\$ (47,155)	\$ (50,954)	\$ (22,223)	\$ 46,717	\$ 45,541
Debt services as a percentage of noncapital expenditures	9.35%	13.06%	9.41%	8.35%	9.49%

- Note: (1) FY13 amounts have been restated for the effects of Marina fund reclassification to a governmental activity.
(2) The Department of General Services has been reallocated to the Departments of Community Development, Information Technology, and Public Works in FY16.
(3) The Department of Economic Development has been reallocated to the Department of General Government in FY18.
(4) The Department of Parks and Recreation has been renamed to the Department of Youth, Parks, and Community Enrichment in FY19.

Source: City of Sacramento Comprehensive Annual Financial Reports

City of Sacramento
Changes in Fund Balances, Governmental Funds ⁽¹⁾
Last Ten Fiscal Years

(modified accrual basis of accounting, in thousands)

	Fiscal Year				
	2015	2016	2017	2018	2019
Revenues					
Taxes	\$ 334,649	\$ 365,482	\$ 382,155	\$ 406,011	\$ 434,759
Intergovernmental	111,017	128,190	73,082	80,415	97,658
Charges for services	86,061	89,765	105,446	121,368	131,609
Fines, forfeits and penalties	11,403	12,720	11,429	12,643	16,397
Interest, rents, and concessions	12,681	15,221	14,220	10,794	24,907
Community service fees	7,869	16,460	29,740	30,654	30,651
Assessment levies	41,884	43,475	44,339	47,048	52,476
Contributions and donations	45,177	35,820	33,637	14,253	49,053
Miscellaneous	501	2,761	383	731	718
Total revenues	651,242	709,894	694,431	723,917	838,228
Expenditures					
General government	28,491	34,197	41,413	72,772	85,272
Police	149,448	152,245	159,572	169,273	182,538
Fire	110,585	119,814	127,970	136,161	144,043
Public works	35,502	42,194	45,457	49,841	51,289
General services ⁽²⁾	10,058	-	-	-	-
Transportation	-	-	-	-	-
Neighborhood services	-	-	-	-	-
Convention and cultural services	10,978	11,738	12,838	14,372	15,117
Economic development ⁽³⁾	10,797	9,871	13,270	-	-
Youth, parks, and community enrichment ⁽⁴⁾	38,894	37,801	38,707	38,615	40,866
Code enforcement	-	-	-	-	-
Community development	26,819	34,110	40,499	45,787	54,342
Library	14,496	14,771	14,903	16,421	17,732
Utilities	522	701	1,583	2,034	2,495
Nondepartmental	-	-	-	-	-
Citywide and community support	37,216	47,961	48,435	46,576	42,827
Capital outlay	128,805	337,817	82,465	90,397	79,175
Debt service					
City					
Principal	23,699	16,481	28,677	48,445	56,284
Interest and fiscal charges	33,493	24,822	28,555	24,529	24,818
Bond issuance costs	-	5,483	49	1,415	116
Subtotal - debt service	57,192	84,838	57,281	74,389	81,218
Total Expenditures	659,803	928,058	684,393	756,638	796,914
Excess (deficiency) of revenues over (under) expenditures	(8,561)	(218,164)	10,038	(32,721)	41,314
Other Financing Sources (uses)					
Transfers in	69,117	306,810	66,386	70,558	69,931
Transfers out	(33,267)	(270,358)	(31,871)	(35,801)	(33,114)
Issuance of long-term debt	3,984	401,943	1,976	8	1,325
Premium on long term debt	-	13,972	-	-	-
Proceeds from sale of property	12,500	-	-	-	-
Proceeds of long-term capital-related debt	-	-	-	-	-
Payments to participating governments	-	-	-	-	-
Payments to refunded bond escrow	-	(133,931)	-	-	-
Total other financing sources (uses)	52,334	318,436	36,491	34,765	38,142
Special items	-	(8,830)	-	-	7,000
Changes in fund balances	\$ 43,773	\$ 91,442	\$ 46,529	\$ 2,044	\$ 86,456
Debt services as a percentage of noncapital expenditures	10.46%	12.71%	9.27%	10.59%	11.11%

Note: (1) FY13 amounts have been restated for the effects of Marina fund reclassification to a governmental activity.

(2) The Department of General Services has been reallocated to the Departments of Community Development, Information Technology, and Public Works in FY16.

(3) The Department of Economic Development has been reallocated to the Department of General Government in FY18.

(4) The Department of Parks and Recreation has been renamed to the Department of Youth, Parks, and Community Enrichment in FY19.

Source: City of Sacramento Comprehensive Annual Financial Reports

City of Sacramento
Tax Revenues by Source, Governmental Funds ⁽¹⁾
Last Ten Fiscal Years

(modified accrual basis of accounting, in thousands)

Fiscal Year	Property ⁽²⁾	Tax Increment	Sales & Use	Utility Users	Others	Total
2010	\$ 140,013	\$ -	\$ 45,670	\$ 58,700	\$ 16,366	\$ 260,749
2011	133,099	-	47,680	58,887	15,039	254,705
2012	130,287	-	50,683	58,787	16,807	256,564
2013	130,864 ⁽²⁾	-	57,121 ⁽³⁾	59,066	18,554	265,605
2014	140,690 ⁽²⁾	-	99,615 ⁽³⁾	59,613	20,914	320,832
2015	147,415 ⁽²⁾	-	102,596 ⁽³⁾	59,948	24,690	334,649
2016	164,719 ⁽²⁾	-	110,212 ⁽³⁾	61,404	29,147	365,482
2017	159,566 ⁽²⁾	-	125,560 ⁽³⁾	62,997	34,032	382,155
2018	170,701 ⁽²⁾	-	131,371 ⁽³⁾	62,989	40,950	406,011
2019	173,307 ⁽²⁾	-	157,816 ⁽³⁾	60,128	43,508	434,759

Notes: (1) In lieu sales tax is reported as property tax in fiscal year 2009 and subsequent fiscal years.

(2) Includes residual property tax from redevelopment agency dissolution.

(3) Includes Measure U local sales and use tax.

Sources: (A) City of Sacramento Comprehensive Annual Financial Reports
(B) Finance Department, City of Sacramento

City of Sacramento

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

(in thousands)

Fiscal Year End June 30	Gross Assessed Value ⁽¹⁾				Exemptions	Net Assessed Taxable Value	Total Direct Tax Rate ⁽²⁾
	Real Property	Personal Property	Public Utility	Total			
2010	\$ 37,446,222	\$ 1,819,726	\$ 11,937	\$ 39,277,885	\$ 499,878	\$ 38,778,007	1.00
2011	36,388,660	1,742,824	11,977	38,143,461	496,459	37,647,002	1.00
2012	35,267,406	1,711,462	12,132	36,991,000	488,888	36,502,112	1.00
2013	34,332,037	1,626,943	13,157	35,972,137	477,326	35,494,811	1.00
2014	35,829,529	1,546,891	12,381	37,388,801	464,546	36,924,255	1.00
2015	37,918,666	1,585,876	18,173	39,522,715	455,212	39,067,503	1.00
2016	39,823,777	1,513,519	9,267	41,346,563	448,778	40,897,785	1.00
2017	42,300,010	1,623,203	9,193	43,932,406	446,690	43,485,716	1.00
2018	45,389,674	1,692,375	8,974	47,091,023	445,647	46,645,376	1.00
2019	48,919,753	1,868,599	8,701	50,797,053	444,652	50,352,401	1.00

Notes: (1) Article XIII A, added to California Constitution by Proposition 13 in 1978, fixed the base for valuation of property subject to taxes at the full cash value appeared on the Assessor's 1975-76 assessment roll. Therefore, full cash value can be increased to reflect:

- a) annual inflation up to 2%;
- b) current market value at time of ownership change;
- c) market value for new construction

Estimated actual value of taxable property cannot easily determined as the property in the City is not reassessed annually. Reassessment normally occurs when ownership changes.

(2) This 1 % is shared by all taxing agencies for which the subject property resides within.

Source: County of Sacramento, Office of Auditor/Controller

City of Sacramento
Direct and Overlapping Property Tax Rates ⁽¹⁾
Per \$100 of Assessed Value
Last Ten Fiscal Years

Fiscal Year End June 30	Basic County, City, and School Levy ⁽²⁾	County of Sacramento	Schools	Special Districts	Total
2010	1.0000	—	0.1035	—	1.1035
2011	1.0000	—	0.1069	—	1.1069
2012	1.0000	—	0.1174	—	1.1174
2013	1.0000	—	0.1192	—	1.1192
2014	1.0000	—	0.1406	—	1.1406
2015	1.0000	—	0.1325	—	1.1325
2016	1.0000	—	0.1426	—	1.1426
2017	1.0000	—	0.1418	—	1.1418
2018	1.0000	—	0.1365	—	1.1365
2019	1.0000	—	0.1295	—	1.1295

Notes : (1) Data is stated at full value as required under Article XIII-A of the Constitution of the State of California.

(2) This 1.00% is shared by all taxing agencies for which the subject property resides within.

City of Sacramento
Principal Property Taxpayers
For the Fiscal Year and Nine Years Ago

(in thousands)

Taxpayer	2019			2010		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Sacramento Kings	\$ 411,411	1	0.82 %	\$ -	-	- %
SG Downtown	218,247	2	0.43	-	-	-
400 Capitol Mall Owner LP	179,143	3	0.36	-	-	-
Arden Fair Associates	147,235	4	0.29	130,092	4	0.33
500 Capitol Mall LLC	141,721	5	0.28	-	-	-
621 Capitol Mall LLC	134,067	6	0.27	95,387	8	0.24
GV/HI PK TOWER OWNER LLC	122,910	7	0.24	-	-	-
300 Capitol Assoc NF LP	117,700	8	0.23	135,252	3	0.35
M&H RLTY Partners VI Limited Partnership	107,601	9	0.21	91,154	9	0.23
HP Hood LLC	105,132	10	0.21	-	-	-
Hines VAF II Sacramento	-	-	-	479,888	1	1.23
Teachers Ins. Annuity	-	-	-	168,732	2	0.43
CIM Sacramento LLC	-	-	-	129,852	5	0.33
Downtown Plaza LLC	-	-	-	128,747	6	0.33
CLPF Promenade LP	-	-	-	125,265	7	0.32
Sacramento Equities REIT	-	-	-	89,250	10	0.23
	<u>1,685,167</u>		<u>3.34</u>	<u>1,573,619</u>		<u>4.02</u>
All other taxpayers	<u>48,667,234</u>		<u>96.66</u>	<u>37,204,388</u>		<u>95.98</u>
Total	<u>\$ 50,352,401</u>		<u>100.00 %</u>	<u>38,778,007</u>		<u>100.00 %</u>

Source: County of Sacramento, Office of Auditor/Controller

City of Sacramento
Property Tax Levies and Collections
Last Ten Fiscal Years

(in thousands)

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year ⁽¹⁾	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 138,701	\$ 136,313	98.28%	\$ 2,388	\$ 138,701	100.00%
2011	132,440	130,711	98.69%	1,729	132,440	100.00%
2012	129,123	127,914	99.06%	1,209	129,123	100.00%
2013	130,755 ^{(2) (3)}	129,655	99.16%	1,100	130,755	100.00%
2014	140,273 ^{(2) (3)}	139,651	99.56%	622	140,273	100.00%
2015	147,483 ^{(2) (3)}	146,374	99.25%	1,109	147,483	100.00%
2016	155,024 ^{(2) (3)}	153,563	99.06%	1,461	155,024	100.00%
2017	149,456 ^{(2) (3)}	147,960	99.00%	1,496	149,456	100.00%
2018	158,378 ^{(2) (3)}	156,689	98.93%	1,689	158,378	100.00%
2019	170,117 ^{(2) (3)}	168,637	99.13%	1,480	170,117	100.00%

- Notes: (1) Property taxes in 2007 and subsequent years till 2016 include in lieu sales tax revenue from prior year. Program was started in 2007 and ceased in 2017.
(2) Total actual tax levy amount is not available from Sacramento County; amount provided is an estimate.
(3) Includes residual property taxes resulting from the redevelopment agency dissolution.

Source: City of Sacramento, Finance Department

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City of Sacramento
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

(in thousands, except Population and Per Capita)

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government
	Revenue Bonds	Notes Payable	Capital Leases	Revenue Bonds	Notes Payable	Capital Leases	
2010	\$ 496,641	\$ 746	\$ 11,203	\$ 302,064	\$ 56,307	\$ 8,295	\$ 875,256
2011	477,588	677	9,910	289,950	56,388	7,066	841,579
2012	457,324	605	8,439	277,241	55,131	11,693	810,433
2013 ⁽¹⁾	435,962	530	9,446	542,347	52,536	9,466	1,050,287
2014 ⁽²⁾	419,477	16,053	13,562	540,117	33,288	6,098	1,028,595
2015	398,544	15,680	10,456	519,869	29,844	4,075	978,468
2016 ⁽³⁾	627,351	15,290	7,294	493,406	26,340	8,654	1,178,335
2017 ⁽⁴⁾	606,097	14,883	4,455	533,751	22,748	5,574	1,187,508
2018	564,929	14,459	2,299	510,016	22,919	3,685	1,118,307
2019 ⁽⁵⁾	513,186	14,014	1,011	831,547	33,185	2,340	1,395,283

Notes:

- (1) In 2013, \$281 million of revenue bonds and a \$2.8 million capital lease payable were issued.
- (2) In 2014, Marina fund notes payable and capital leases have been reclassified to governmental activities.
- (3) In 2016, \$273 million of lease revenue bonds and a \$183 million refunding revenue bonds were issued.
- (4) In 2017, \$53 million of revenue bonds were issued for improvements to the City's municipal water system.
- (5) In 2019, \$284 million of revenue bonds were issued for the renovation of the City's Convention Center, Community Center Theater, and Memorial Auditorium. In 2019, \$25 million of revenue bonds were issued for improvements to the City's wastewater system.

NA Personal income data was not available.

City of Sacramento
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

(in thousands, except Population and Per Capita)

Fiscal Year	Percentage of Personal Income	Population	Per Capita
2010	NA	486,189	\$ 1,800
2011	NA	469,566	1,792
2012	NA	470,956	1,721
2013 ⁽¹⁾	NA	473,509	2,218
2014 ⁽²⁾	NA	475,122	2,165
2015	NA	480,105	2,038
2016 ⁽³⁾	NA	485,683	2,426
2017 ⁽⁴⁾	NA	493,025	2,409
2018	NA	501,344	2,231
2019 ⁽⁵⁾	NA	508,172	2,746

Notes:

- (1) In 2013, \$281 million of revenue bonds and a \$2.8 million capital lease payable were issued.
- (2) In 2014, Marina fund notes payable and capital leases have been reclassified to governmental activities.
- (3) In 2016, \$273 million of lease revenue bonds and a \$183 million refunding revenue bonds were issued.
- (4) In 2017, \$53 million of revenue bonds were issued for improvements to the City's municipal water system.
- (5) In 2019, \$284 million of revenue bonds were issued for the renovation of the City's Convention Center, Community Center Theater and Memorial Auditorium. In 2019, \$25 million of revenue bonds were issued for improvements to the City's wastewater system.

NA Personal income data was not available.

Source: City of Sacramento Comprehensive Annual Financial Reports

City of Sacramento
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

(in thousands, except Population and Per Capita)

Fiscal Year	Total Gross General Obligation Bonds	Amounts Restricted for Principal Repayments	Total Net General Obligation Bonds	Actual Taxable Value of Property	Percentage of Actual Taxable Value of Property	Population	Net Bonded Debt Per Capita
2010	\$ -	\$ -	\$ -	\$ 38,778,007	0.00%	486,189	\$ -
2011	-	-	-	37,647,002	0.00%	469,566	-
2012	-	-	-	36,502,112	0.00%	470,956	-
2013	-	-	-	35,494,811	0.00%	473,509	-
2014	-	-	-	36,924,255	0.00%	475,122	-
2015	-	-	-	39,067,503	0.00%	480,105	-
2016	-	-	-	40,897,785	0.00%	485,683	-
2017	-	-	-	43,485,716	0.00%	493,025	-
2018	-	-	-	46,645,376	0.00%	501,344	-
2019	-	-	-	50,352,401	0.00%	508,172	-

Source: City of Sacramento Comprehensive Annual Financial Reports and the County of Sacramento.

City of Sacramento

Direct and Overlapping Governmental Activities Debt ⁽¹⁾ As of June 30, 2019

(in thousands)

Governmental Unit	Total Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Overlapping Tax and Assessment Debt:			
Los Rios Community College District	\$ 396,190	25.969 %	\$ 102,887
Elk Grove Unified School District	193,000	11.334	21,875
Natomas Unified School District	234,513	85.301	200,042
Sacramento Unified School District	470,328	84.981	399,689
San Juan Unified School District	606,881	2.950	17,903
Twin Rivers Unified School District :			-
Twin Rivers Unified School District (former Elementary School District bonds)	62,885	48.059	30,222
Twin Rivers Unified School District (former Grant Joint Union High School District bonds)	209,004	47.934	100,184
Robla School District	83,888	54.071	45,359
City of Sacramento Community Facilities Districts	162,735	100.000	162,735
Elk Grove Unified School District Community Facilities District No. 1	197,766	11.334	22,415
City of Sacramento 1915 Act Bonds	2,915	100.000	2,915
California Statewide Community Development Authority Assessment District Bonds	505	100.000	505
Sacramento Area Flood Control Agency Consolidated Capital Districts Assessment District	273,395	85.335	233,302
Sacramento Area Flood Control Agency Natomas Local Assessment District	33,005	82.936	27,373
Subtotal - Overlapping Tax and Assessment debt			1,367,406
Direct and Overlapping General Fund Debt:			
Sacramento County General Fund Obligations	174,028	31.528	54,868
Sacramento County Pension Obligations	885,670	31.528	279,234
Sacramento County Board of Education Certificates of Participation	3,975	31.528	1,253
Elk Grove Unified School District Certificates of Participation	12,612	11.334	1,429
Natomas Unified School District Certificates of Participation	56,450	85.301	48,152
Sacramento Unified School District Certificates of Participation	63,120	84.981	53,640
San Juan Unified School District Certificates of Participation	126	2.950	4
Twin Rivers Unified School District Certificates of Participation	60,440	47.934	28,971
Arcade Creek Recreation and Park District General Fund Obligations	265	1.196	3
Fulton-El Camino Recreation and Park District General Fund Obligations	1,190	17.090	203
Subtotal - Lease Obligation Debt			467,757
Total Overlapping Debt			1,835,163
City of Sacramento Direct Debt			528,211
Total Direct and Overlapping Debt			\$ 2,363,374

Note: (1) Overlapping governments are those that coincide, at least in part, with the geographical boundaries of the City of Sacramento. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government. Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Source: Data regarding overlapping debt is obtained from California Municipal Statistics, Inc.

City of Sacramento
Legal Debt Margin
Last Ten Fiscal Years
(in thousands)

Fiscal Year	Debt Limit		Debt Applicable to Limit			Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
	Net Assessed Value	Debt Limit - 15% of Assessed Value	General Obligation Bonds	Amount set aside for repayment of general obligation debt	Total net debt applicable to limit		
2010	\$ 38,778,007	\$ 5,816,701	\$ -	\$ -	\$ -	\$ 5,816,701	0.00%
2011	37,647,002	5,647,050	-	-	-	5,647,050	0.00%
2012	36,502,112	5,475,317	-	-	-	5,475,317	0.00%
2013	35,494,811	5,324,222	-	-	-	5,324,222	0.00%
2014	36,924,255	5,538,638	-	-	-	5,538,638	0.00%
2015	39,067,503	5,860,125	-	-	-	5,860,125	0.00%
2016	40,897,785	6,134,668	-	-	-	6,134,668	0.00%
2017	43,485,716	6,522,857	-	-	-	6,522,857	0.00%
2018	46,645,376	6,996,806	-	-	-	6,996,806	0.00%
2019	50,352,401	7,552,860	-	-	-	7,552,860	0.00%

Sources: (A) City of Sacramento Comprehensive Annual Financial Reports.
(B) County of Sacramento, Office of Auditor/Controller.

City of Sacramento
Demographic and Economic Statistics for Sacramento County
Last Ten Years

Year	Population (A)	Personal Income (in millions of dollars) (B)	Per Capita Personal Income	Median Age	Education Level in Years of Schooling	School Enrollment (C)	Unemployment Rate (D)
2010	1,445,327	NA	NA	NA	NA	237,916	12.6 %
2011	1,428,355	NA	NA	NA	NA	237,567	12.7
2012	1,435,153	NA	NA	NA	NA	237,362	11.1
2013	1,445,806	NA	NA	NA	NA	238,290	8.7
2014	1,454,406	NA	NA	NA	NA	240,216	7.1
2015	1,470,912	\$ 64,638	\$ 43,944	34	NA	241,022	5.8
2016	1,495,297	69,590	46,539	33	NA	242,725	5.8
2017	1,514,770	72,894	48,122	34	NA	244,394	5.4
2018	1,529,501	76,776	50,197	34	N/A	245,906	4.2
2019	1,546,174	81,242	52,544	34	N/A	246,663	3.9

Sources: (A) California Department of Finance - Population estimates as of January 1st of each year:

<http://www.dof.ca.gov/Forecasting/Demographics/Estimates/e-1/>

(B) US Bureau of Economic Analysis, report on Local Area Personal Income as of March 31 each year: <https://www.bea.gov/>

(C) California Department of Education, report on Sacramento County as of June 30 each year: <http://dq.cde.ca.gov/dataquest/>

(D) California Employment Development Department, Report 400 C - Monthly Labor Force Data for California Counties:

<http://www.labormarketinfo.edd.ca.gov/> (as of June each year)

**City of Sacramento
Principal Employers
Current Fiscal Year and Nine Years Ago**

Employer (A)	2019			2010		
	Employee (A) ⁽¹⁾	Rank	Percentage of Total Employment (B) ⁽²⁾	Employee (A) ⁽¹⁾	Rank	Percentage of Total Employment (B)
State of California	76,131	1	11.20%	73,273	1	11.96%
UC Davis Health System	12,674	2	1.86%	8,496	3	1.39%
Kaiser Permanente	11,404	3	1.68%	7,979	4	1.30%
Sacramento County	11,330	4	1.67%	13,304	2	2.17%
U.S. Government	10,227	5	1.50%	-		-
Sutter Health	8,809	6	1.30%	7,314	5	1.19%
Dignity Health	7,000	7	1.03%	-		-
Elk Grove Unified School District	6,381	8	0.94%	6,391	7	1.04%
Intel Corporation	6,200	9	0.91%	6,000	8	0.98%
San Juan Unified School District	5,289	10	0.78%	5,190	10	0.85%
Apple, Inc.	5,000	11	0.74%	-		-
Sacramento City Unified School District	-		-	6,500	6	1.06%
Mercy/Catholic Healthcare West	-		-	5,922	9	0.97%
City of Sacramento	-		-	4,556	11	0.74%

Notes: (1) Ranked by number of employees in full-time equivalents.

(2) Percentage of total employment is calculated based on Sacramento County's total employment force of 679,600 (per Employment Development Department website) in June 2019.

Sources: (A) Sacramento Business Journal, May 31, 2019. List of largest employers in Sacramento County.

(B) Employment Development Department, State of California.

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City of Sacramento
Successor Agency Trust Fund
Assessed Value of Taxable Property ^{(1) (2)}
Last Ten Fiscal Years
(in thousands)

PROJECT AREA	Fiscal Year				
	2010	2011	2012	2013	2014
Merged Downtown					
Secured	\$ 2,656,453	\$ 2,504,312	\$ 2,427,850	\$ 2,366,130	\$ 2,300,993
Unsecured	172,285	160,110	145,125	137,567	132,581
Utility	997	997	997	770	770
Total	<u>\$ 2,829,735</u>	<u>\$ 2,665,419</u>	<u>\$ 2,573,972</u>	<u>\$ 2,504,467</u>	<u>\$ 2,434,344</u>
Del Paso Heights					
Secured	\$ 317,546	\$ 305,405	\$ 286,172	\$ 276,998	\$ 289,856
Unsecured	37,627	17,112	10,267	9,550	12,659
Utility	1	1	1	1	1
Total	<u>\$ 355,174</u>	<u>\$ 322,518</u>	<u>\$ 296,440</u>	<u>\$ 286,549</u>	<u>\$ 302,516</u>
Alkali Flat					
Secured	\$ 132,387	\$ 128,304	\$ 121,651	\$ 119,184	\$ 112,883
Unsecured	4,759	3,740	2,962	4,982	3,224
Utility	-	-	-	-	-
Total	<u>\$ 137,146</u>	<u>\$ 132,044</u>	<u>\$ 124,613</u>	<u>\$ 124,166</u>	<u>\$ 116,107</u>
Oak Park					
Secured	\$ 460,439	\$ 438,987	\$ 428,226	\$ 427,642	\$ 466,006
Unsecured	13,418	10,613	8,973	9,898	9,763
Utility	-	-	-	-	-
Total	<u>\$ 473,857</u>	<u>\$ 449,600</u>	<u>\$ 437,199</u>	<u>\$ 437,540</u>	<u>\$ 475,769</u>
River District (formerly Richards Blvd)					
Secured	\$ 454,256	\$ 405,518	\$ 403,771	\$ 396,061	\$ 375,825
Unsecured	45,813	41,732	31,661	33,655	29,486
Utility	4,200	4,200	4,264	4,779	4,779
Total	<u>\$ 504,269</u>	<u>\$ 451,450</u>	<u>\$ 439,696</u>	<u>\$ 434,495</u>	<u>\$ 410,090</u>
North Sacramento					
Secured	\$ 563,978	\$ 555,744	\$ 526,139	\$ 506,029	\$ 498,272
Unsecured	33,239	36,014	35,675	39,802	36,413
Utility	-	-	-	-	-
Total	<u>\$ 597,217</u>	<u>\$ 591,758</u>	<u>\$ 561,814</u>	<u>\$ 545,831</u>	<u>\$ 534,685</u>

Notes: (1) Property is assessed at full cash value upon transfer of title and the assessed value is increased annually by the lesser of the rate of inflation or 2%.

(2) One percent is the maximum tax rate by state law.

City of Sacramento
Successor Agency Trust Fund
Assessed Value of Taxable Property ^{(1) (2)}
Last Ten Fiscal Years
(in thousands)

PROJECT AREA	Fiscal Year				
	2015	2016	2017	2018	2019
Merged Downtown					
Secured	\$ 2,344,213	\$ 2,461,341	\$ 2,682,975	\$ 3,294,112	\$ 3,572,623
Unsecured	138,662	124,172	110,587	131,439	147,725
Utility	770	748	748	748	696
Total	<u>\$ 2,483,645</u>	<u>\$ 2,586,261</u>	<u>\$ 2,794,310</u>	<u>\$ 3,426,299</u>	<u>\$ 3,721,044</u>
Del Paso Heights					
Secured	\$ 311,285	\$ 317,886	\$ 338,354	\$ 380,389	\$ 414,850
Unsecured	14,464	13,621	15,440	14,149	21,771
Utility	1	1	1	1	1
Total	<u>\$ 325,750</u>	<u>\$ 331,508</u>	<u>\$ 353,795</u>	<u>\$ 394,539</u>	<u>\$ 436,622</u>
Alkali Flat					
Secured	\$ 120,103	\$ 123,251	\$ 136,555	\$ 158,376	\$ 198,843
Unsecured	3,504	2,963	2,996	2,920	3,485
Utility	-	-	-	-	-
Total	<u>\$ 123,607</u>	<u>\$ 126,214</u>	<u>\$ 139,551</u>	<u>\$ 161,296</u>	<u>\$ 202,328</u>
Oak Park					
Secured	\$ 476,624	\$ 501,132	\$ 567,966	\$ 610,203	\$ 686,458
Unsecured	9,483	24,938	27,750	28,003	31,947
Utility	-	-	-	-	-
Total	<u>\$ 486,107</u>	<u>\$ 526,070</u>	<u>\$ 595,716</u>	<u>\$ 638,206</u>	<u>\$ 718,405</u>
River District (formerly Richards Blvd)					
Secured	\$ 403,452	\$ 393,540	\$ 404,183	\$ 413,627	\$ 444,699
Unsecured	35,352	37,314	34,732	36,120	37,676
Utility	4,779	2,591	2,591	2,591	2,464
Total	<u>\$ 443,583</u>	<u>\$ 433,445</u>	<u>\$ 441,506</u>	<u>\$ 452,338</u>	<u>\$ 484,839</u>
North Sacramento					
Secured	\$ 509,637	\$ 523,526	\$ 555,437	\$ 556,306	\$ 605,147
Unsecured	40,115	36,778	36,563	36,555	43,011
Utility	-	-	-	-	-
Total	<u>\$ 549,752</u>	<u>\$ 560,304</u>	<u>\$ 592,000</u>	<u>\$ 592,861</u>	<u>\$ 648,158</u>

Notes: (1) Property is assessed at full cash value upon transfer of title and the assessed value is increased annually by the lesser of the rate of inflation or 2%.

(2) One percent is the maximum tax rate by state law.

City of Sacramento
Successor Agency Trust Fund
Assessed Value of Taxable Property ^{(1) (2)}
Last Ten Fiscal Years
(in thousands)

PROJECT AREA	Fiscal Year				
	2010	2011	2012	2013	2014
Franklin Boulevard					
Secured	\$ 571,385	\$ 571,094	\$ 554,662	\$ 553,114	\$ 556,190
Unsecured	44,573	41,821	38,551	39,862	37,903
Utility	-	-	-	-	-
Total	<u>\$ 615,958</u>	<u>\$ 612,915</u>	<u>\$ 593,213</u>	<u>\$ 592,976</u>	<u>\$ 594,093</u>
Stockton Boulevard					
Secured	\$ 390,475	\$ 372,566	\$ 355,452	\$ 334,059	\$ 345,330
Unsecured	16,598	17,048	17,468	17,101	17,293
Utility	-	-	-	-	-
Total	<u>\$ 407,073</u>	<u>\$ 389,614</u>	<u>\$ 372,920</u>	<u>\$ 351,160</u>	<u>\$ 362,623</u>
Army Depot					
Secured	\$ 835,497	\$ 826,480	\$ 810,113	\$ 790,956	\$ 826,125
Unsecured	120,863	119,918	116,198	116,489	149,382
Utility	578	578	579	943	943
Total	<u>\$ 956,938</u>	<u>\$ 946,976</u>	<u>\$ 926,890</u>	<u>\$ 908,388</u>	<u>\$ 976,450</u>
65th Street					
Secured	\$ 224,753	\$ 242,905	\$ 230,618	\$ 229,458	\$ 228,785
Unsecured	25,010	25,040	25,808	17,346	14,536
Utility	-	-	-	-	-
Total	<u>\$ 249,763</u>	<u>\$ 267,945</u>	<u>\$ 256,426</u>	<u>\$ 246,804</u>	<u>\$ 243,321</u>
Railyards					
Secured	\$ 49,467	\$ 71,772	\$ 80,928	\$ 84,191	\$ 80,200
Unsecured	-	251	3,521	4,548	4,454
Utility	641	680	768	771	-
Total	<u>\$ 50,108</u>	<u>\$ 72,703</u>	<u>\$ 85,217</u>	<u>\$ 89,510</u>	<u>\$ 84,654</u>

Notes: (1) Property is assessed at full cash value upon transfer of title and the assessed value is increased annually by the lesser of the rate of inflation or 2%.

(2) One percent is the maximum tax rate by state law.

City of Sacramento
Successor Agency Trust Fund
Assessed Value of Taxable Property ^{(1) (2)}
Last Ten Fiscal Years
(in thousands)

PROJECT AREA	Fiscal Year				
	2015	2016	2017	2018	2019
Franklin Boulevard					
Secured	\$ 482,823	\$ 474,370	\$ 497,711	\$ 544,375	\$ 578,295
Unsecured	32,000	31,565	35,431	34,068	33,800
Utility	-	-	-	-	-
Total	<u>\$ 514,823</u>	<u>\$ 505,935</u>	<u>\$ 533,142</u>	<u>\$ 578,443</u>	<u>\$ 612,095</u>
Stockton Boulevard					
Secured	\$ 364,463	\$ 384,262	\$ 403,482	\$ 442,555	\$ 471,634
Unsecured	17,731	16,742	15,941	15,798	18,937
Utility	-	-	-	-	-
Total	<u>\$ 382,194</u>	<u>\$ 401,004</u>	<u>\$ 419,423</u>	<u>\$ 458,353</u>	<u>\$ 490,571</u>
Army Depot					
Secured	\$ 864,133	\$ 928,249	\$ 979,664	\$ 1,052,144	\$ 1,130,114
Unsecured	139,964	110,209	106,652	111,552	115,208
Utility	943	1,072	1,072	1,072	1,072
Total	<u>\$ 1,005,040</u>	<u>\$ 1,039,530</u>	<u>\$ 1,087,388</u>	<u>\$ 1,164,768</u>	<u>\$ 1,246,394</u>
65th Street					
Secured	\$ 231,632	\$ 243,684	\$ 276,299	\$ 350,567	\$ 425,730
Unsecured	17,543	14,033	15,339	17,768	22,692
Utility	-	-	-	-	-
Total	<u>\$ 249,175</u>	<u>\$ 257,717</u>	<u>\$ 291,638</u>	<u>\$ 368,335</u>	<u>\$ 448,422</u>
Railyards					
Secured	\$ 75,245	\$ 68,288	\$ 62,600	\$ 66,406	\$ 67,471
Unsecured	5,973	10,940	7,310	7,151	11,438
Utility	-	-	-	-	-
Total	<u>\$ 81,218</u>	<u>\$ 79,228</u>	<u>\$ 69,910</u>	<u>\$ 73,557</u>	<u>\$ 78,909</u>

Notes: (1) Property is assessed at full cash value upon transfer of title and the assessed value is increased annually by the lesser of the rate of inflation or 2%.

(2) One percent is the maximum tax rate by state law.

City of Sacramento
Successor Agency Trust Fund
Top 10 Parcels Appealing Assessed Valuation - At Risk of Reduction ^{(1) (2)}
Merged Downtown
As of June 30, 2019
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
WIP 800 J LOFTS LIMITED PARTNERSHIP	\$ 60,630	\$ 48,000	\$ (12,630)	4.22%
WIP 800 J LOFTS LIMITED PARTNERSHIP	59,441	17,831	(41,610)	13.89%
400 R STREET OWNER	24,200	12,100	(12,100)	4.04%
1800 3RD STREET OWNER LLC	15,585	7,790	(7,795)	2.60%
1800 3RD STREET OWNER LLC	15,585	7,793	(7,792)	2.60%
400 R STREET OWNER	13,200	6,600	(6,600)	2.20%
1801 3RD STREET (SACRAMENTO) OWNER LLC	10,630	811	(9,819)	3.28%
1801 3RD STREET (SACRAMENTO) OWNER LLC	10,630	5,315	(5,315)	1.77%
500 R STREET (SACRAMENTO) OWNER LLC	9,100	4,550	(4,550)	1.52%
500 R STREET (SACRAMENTO) OWNER LLC	9,100	901	(8,199)	2.74%
Sub Total	228,101	111,691	(116,410)	38.86%
All Other Taxpayers	71,441	-	-	-
Total	<u>\$ 299,542</u>	<u>\$ 111,691</u>	<u>\$ (116,410)</u>	<u>38.86%</u>

Notes: (1) These are outstanding appeals; there is no estimate of outcome.
(2) Information for prior years is not readily available and is not statistically significant.
(3) Based on Assessor's report "At-Risk Assessed Valuation Through Appeals Process" as of July 1, 2019.

Source: Sacramento County Assessor

City of Sacramento
Successor Agency Trust Fund
Top 10 Parcels Appealing Assessed Valuation - At Risk of Reduction ^{(1) (2)}
Del Paso Heights
As of June 30, 2019
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
MONA SUE AYERS	\$ 120	\$ 52	\$ (68)	56.67%
Sub Total	120	52	(68)	56.67%
All Other Taxpayers	-	-	-	-
Total	\$ 120	\$ 52	\$ (68)	56.67%

Notes: (1) These are outstanding appeals; there is no estimate of outcome.
(2) Information for prior years is not readily available and is not statistically significant.
(3) Based on Assessor's report "At-Risk Assessed Valuation Through Appeals Process" as of July 1, 2019.

Source: Sacramento County Assessor

City of Sacramento
Successor Agency Trust Fund
Top 10 Parcels Appealing Assessed Valuation - At Risk of Reduction ^{(1) (2)}
Alkali Flat
As of June 30, 2019
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
HEARST-ARGYLE STATIONS	\$ 16,072	\$ 5,661	\$ (10,411)	63.30%
HEARST-ARGYLE STATIONS	376	287	(89)	0.54%
Sub Total	16,448	5,948	(10,500)	63.84%
All Other Taxpayers	-	-	-	-
Total	\$ 16,448	\$ 5,948	\$ (10,500)	63.84%

Notes: (1) These are outstanding appeals; there is no estimate of outcome.

(2) Information for prior years is not readily available and is not statistically significant.

(3) Based on Assessor's report "At-Risk Assessed Valuation Through Appeals Process" as of July 1, 2019.

Source: Sacramento County Assessor

City of Sacramento
Successor Agency Trust Fund
Top 10 Parcels Appealing Assessed Valuation - At Risk of Reduction ^{(1) (2)}
Oak Park
As of June 30, 2019
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
WALGREEN CO	\$ 176	\$ 95	\$ (81)	23.75%
WALGREEN CO	165	88	(77)	22.58%
Sub Total	341	183	(158)	46.33%
All Other Taxpayers	-	-	-	-
Total	\$ 341	\$ 183	\$ (158)	46.33%

Notes: (1) These are outstanding appeals; there is no estimate of outcome.

(2) Information for prior years is not readily available and is not statistically significant.

(3) Based on Assessor's report "At-Risk Assessed Valuation Through Appeals Process" as of July 1, 2019.

Source: Sacramento County Assessor

City of Sacramento
Successor Agency Trust Fund
Top 10 Parcels Appealing Assessed Valuation - At Risk of Reduction ^{(1) (2)}
River District
As of June 30, 2019
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
JMDH REAL ESTATE SACRAMENTO LLC	\$ 6,270	\$ 3,135	\$ (3,135)	26.36%
ZIMMER US INC	3,116	1,386	(1,730)	14.55%
ZIMMER US INC	2,508	875	(1,633)	13.73%
Sub Total	11,894	5,396	(6,498)	54.63%
All Other Taxpayers	-	-	-	-
Total	<u>\$ 11,894</u>	<u>\$ 5,396</u>	<u>\$ (6,498)</u>	<u>54.63%</u>

Notes: (1) These are outstanding appeals; there is no estimate of outcome.

(2) Information for prior years is not readily available and is not statistically significant.

(3) Based on Assessor's report "At-Risk Assessed Valuation Through Appeals Process" as of July 1, 2019.

Source: Sacramento County Assessor

City of Sacramento
Successor Agency Trust Fund
Top 10 Parcels Appealing Assessed Valuation - At Risk of Reduction ^{(1) (2)}
North Sacramento
As of June 30, 2019
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
SAM ALKAKOS	\$ 3,540	\$ 2,123	\$ (1,417)	35.59%
WALGREEN CO	232	120	(112)	2.81%
WALGREEN CO	209	102	(107)	2.69%
Sub Total	3,981	2,345	(1,636)	41.10%
All Other Taxpayers	-	-	-	-
Total	<u>\$ 3,981</u>	<u>\$ 2,345</u>	<u>\$ (1,636)</u>	<u>41.10%</u>

Notes: (1) These are outstanding appeals; there is no estimate of outcome.
(2) Information for prior years is not readily available and is not statistically significant.
(3) Based on Assessor's report "At-Risk Assessed Valuation Through Appeals Process" as of July 1, 2019.

Source: Sacramento County Assessor

City of Sacramento
Successor Agency Trust Fund
Top 10 Parcels Appealing Assessed Valuation - At Risk of Reduction ^{(1) (2)}
Franklin Boulevard
As of June 30, 2019
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
6200 FRANKLIN LLC	\$ 20,153	\$ 10,077	\$ (10,076)	12.43%
6200 FRANKLIN LLC	19,318	14,875	(4,443)	5.48%
6200 FRANKLIN LLC	18,427	14,875	(3,552)	4.38%
CVS CAREMARK CORP/CHERYL	7,682	3,840	(3,842)	4.74%
MACY'S WEST STORES	6,533	3,023	(3,510)	4.33%
MACY'S WEST STORES	6,334	5,153	(1,181)	1.46%
OREILLY AUTO PARTS	2,417	1,208	(1,209)	1.49%
MELISSA ANN GEORGE	193	130	(63)	0.08%
Sub Total	81,057	53,181	(27,876)	34.39%
All Other Taxpayers	-	-	-	-
Total	\$ 81,057	\$ 53,181	\$ (27,876)	34.39%

Notes: (1) These are outstanding appeals; there is no estimate of outcome.

(2) Information for prior years is not readily available and is not statistically significant.

(3) Based on Assessor's report "At-Risk Assessed Valuation Through Appeals Process" as of July 1, 2019.

Source: Sacramento County Assessor

City of Sacramento
Successor Agency Trust Fund
Top 10 Parcels Appealing Assessed Valuation - At Risk of Reduction ^{(1) (2)}
Stockton Boulevard
As of June 30, 2019
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
EKG INVESTORS LLC	\$ 4,160	\$ 3,500	\$ (660)	3.43%
EKG INVESTORS LLC	3,463	2,950	(513)	2.66%
EKG INVESTORS LLC	3,370	2,950	(420)	2.18%
EKG INVESTORS LLC	2,930	2,000	(930)	4.83%
EKG INVESTORS LLC	2,230	1,875	(355)	1.84%
EKG INVESTORS LLC	1,570	995	(575)	2.98%
H/S ENERGY LLC	1,540	920	(620)	3.22%
Sub Total	19,263	15,190	(4,073)	21.14%
All Other Taxpayers	-	-	-	-
Total	<u>\$ 19,263</u>	<u>\$ 15,190</u>	<u>\$ (4,073)</u>	<u>21.14%</u>

Notes: (1) These are outstanding appeals; there is no estimate of outcome.

(2) Information for prior years is not readily available and is not statistically significant.

(3) Based on Assessor's report "At-Risk Assessed Valuation Through Appeals Process" as of July 1, 2019.

Source: Sacramento County Assessor

City of Sacramento
Successor Agency Trust Fund
Top 10 Parcels Appealing Assessed Valuation - At Risk of Reduction ^{(1) (2)}
Army Depot
As of June 30, 2019
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
PW FUND B LP	\$ 16,639	\$ 8,320	\$ (8,319)	23.82%
PW FUND B LP	8,730	4,365	(4,365)	12.50%
SOUTHDOWN CALIF CEMENT, LLC DBA CEM	5,896	1,000	(4,896)	14.02%
PW FUND B LP	2,453	1,226	(1,227)	3.51%
RICHARD N REESE FAMILY LLC	1,141	780	(361)	1.03%
CBIP LLC	66	31	(35)	0.10%
Sub Total	34,925	15,722	(19,203)	54.98%
All Other Taxpayers	-	-	-	-
Total	\$ 34,925	\$ 15,722	\$ (19,203)	54.98%

Notes: (1) These are outstanding appeals; there is no estimate of outcome.

(2) Information for prior years is not readily available and is not statistically significant.

(3) Based on Assessor's report "At-Risk Assessed Valuation Through Appeals Process" as of July 1, 2019.

Source: Sacramento County Assessor

City of Sacramento
Successor Agency Trust Fund
Top 10 Parcels Appealing Assessed Valuation - At Risk of Reduction ^{(1) (2)}
65th Street
As of June 30, 2019
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
TARGET CORPORATION	\$ 27,962	\$ 26,632	\$ (1,330)	3.28%
ACADEMY ON 65TH STATE OWNER LLC	4,075	408	(3,667)	9.05%
ACADEMY ON 65TH STREET OWNER LLC	4,075	408	(3,667)	9.05%
7400 14TH LLC	2,227	1,447	(780)	1.93%
DORRIS LUMBER/MOULDING COMPANY	2,162	20	(2,142)	5.29%
Sub Total	40,501	28,915	(11,586)	28.61%
All Other Taxpayers	-	-	-	-
Total	<u>\$ 40,501</u>	<u>\$ 28,915</u>	<u>\$ (11,586)</u>	<u>28.61%</u>

Notes: (1) These are outstanding appeals; there is no estimate of outcome.
(2) Information for prior years is not readily available and is not statistically significant.
(3) Based on Assessor's report "At-Risk Assessed Valuation Through Appeals Process" as of July 1, 2019.

Source: Sacramento County Assessor

City of Sacramento
Successor Agency Trust Fund
Top 10 Parcels Appealing Assessed Valuation - At Risk of Reduction ^{(1) (2)}
Railyards
As of June 30, 2019
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
SIMS METAL MGMT	\$ 1,243	\$ 622	\$ (621)	29.07%
SIMS METAL MGMT	893	446	(447)	20.93%
Sub Total	2,136	1,068	(1,068)	50.00%
All Other Taxpayers	-	-	-	-
Total	\$ 2,136	\$ 1,068	\$ (1,068)	50.00%

Notes: (1) These are outstanding appeals; there is no estimate of outcome.

(2) Information for prior years is not readily available and is not statistically significant.

(3) Based on Assessor's report "At-Risk Assessed Valuation Through Appeals Process" as of July 1, 2019.

Source: Sacramento County Assessor

**City of Sacramento
 Successor Agency Trust Fund
 Principal Property Taxpayers - Merged Downtown
 Current Fiscal Year and Nine Years Ago
 (in thousands)**

Assessee	2019			2010		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
City of Sacramento (Sacramento Downtown Arena LLC)	\$ 403,605	1	9.47%	\$ -	-	-
SG Downtown LLC	200,213	2	4.70%	-	-	-
400 Capitol Mall Owner LP	182,725	3	4.29%	-	-	-
SRI Eleven 621 Capitol Mall LLC	164,220	4	3.85%	-	-	-
500 Capitol Mall LLC	144,555	5	3.39%	-	-	-
PAC West Office Equities Limited Partnership	140,274	6	3.29%	-	-	-
GV/Hi Pk Tower Owner LLC	125,368	7	2.94%	-	-	-
300 Capitol Associates NF LP	117,700	8	2.76%	115,866	2	4.32%
CIM/J Street Hotel Sacramento LP (PMC Commercial Trust)	100,407	9	2.35%	88,122	6	3.28%
GSA Sacramento CA LLC	96,965	10	2.27%	-	-	-
Hines Sacramento Wells Fargo Center	-	-	-	206,544	1	7.70%
621 Capitol Mall	-	-	-	113,820	3	4.24%
Downtown Plaza	-	-	-	97,119	4	3.62%
CIM/980 9th St	-	-	-	94,708	5	3.53%
Sacramento Equities REIT	-	-	-	82,617	7	3.08%
1415 Meridian Plaza LLC/Valley View Invest	-	-	-	81,781	8	3.05%
500 Capitol Mall	-	-	-	76,047	9	2.83%
Capitol Regency LLC	-	-	-	60,996	10	2.27%
Sub Total	1,676,032		39.31%	1,017,620		37.92%
All Other Taxpayers	2,587,717		60.69%	1,666,287		62.08%
Total	\$ 4,263,749		100.00%	\$ 2,683,907		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
 (2) Based on total adjusted 2018-19 Project Area total taxable value.

City of Sacramento
Successor Agency Trust Fund
Principal Property Taxpayers - Del Paso Heights
Current Fiscal Year and Nine Years Ago
(in thousands)

Assessee	2019			2010		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
Greater Sacramento Urban League	\$ 6,716	1	1.43%	\$ 5,848	2	1.69%
Research Properties	5,794	2	1.24%	5,045	4	1.46%
BM Ventures LLC	5,724	3	1.22%	4,735	6	1.37%
Mercy Housing California 80 LP	3,999	4	0.85%	-	-	-
Randall Kent Douglas	3,175	5	0.68%	-	-	-
Ramon Canyon Associates LP	3,151	6	0.67%	-	-	-
John A/Leta K Nichols 1994 Rev Trst	3,051	7	0.65%	2,657	8	0.77%
Reg Real Estate/Investments CA LLC	2,821	8	0.60%	-	-	-
4555 Carmichael LLC	2,555	9	0.54%	-	-	-
US Rentals Inc	2,464	10	0.53%	-	-	-
North Avenue Apartments	-	-	-	8,455	1	2.44%
Village Park Housing Association	-	-	-	5,363	3	1.55%
Norwood Housing Associates LP	-	-	-	5,012	5	1.45%
Woodhaven Senior Residences	-	-	-	4,256	7	1.23%
Lundbom Family Trust	-	-	-	2,392	9	0.69%
Del Paso Housing Associates	-	-	-	2,474	10	0.71%
Sub Total	39,450		8.41%	46,237		13.35%
All Other Taxpayers	429,628		91.59%	300,006		86.65%
Total	\$ 469,078		100.00%	\$ 346,243		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2018-19 Project Area total taxable value.

City of Sacramento
Successor Agency Trust Fund
Principal Property Taxpayers - Alkali Flat
Current Fiscal Year and Nine Years Ago
(in thousands)

Assessee	2019			2010		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
Efren R Cota LTD	\$ 22,577	1	9.90%	\$ -	-	-
Hearst-Argyle Stations Inc	18,453	2	8.09%	9,519	1	7.38%
GMA Investors LP	8,350	3	3.66%	7,271	2	5.64%
Realty Advisors Inc	7,938	4	3.48%	6,911	3	5.36%
J Squared Revocable Trust	3,484	5	1.53%	-	-	-
Blackpine City Flats LLC	3,131	6	1.37%	-	-	-
1001 G State Rehabilitation Limited Partnership	2,971	7	1.30%	-	-	-
1220 E State LLC	2,971	8	1.30%	-	-	-
520 Ninth St	2,381	9	1.04%	2,073	10	1.61%
Ng-Yu Trust	2,244	10	0.98%	-	-	-
MND Creamery LLC	-	-	-	6,814	4	5.28%
Washington SHRWD II LP	-	-	-	5,567	5	4.32%
Boys and Girls Club	-	-	-	4,456	6	3.46%
Norman/Sara Evans 1990 Trust	-	-	-	4,291	7	3.33%
US Housing Partners II LP	-	-	-	3,957	8	3.07%
James Fortino Trust/Court on G Inc.	-	-	-	2,227	9	1.73%
Sub Total	74,500		32.67%	53,086		41.16%
All Other Taxpayers	153,534		67.33%	75,878		58.84%
Total	\$ 228,034		100.00%	\$ 128,964		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2018-19 Project Area total taxable value.

City of Sacramento
Successor Agency Trust Fund
Principal Property Taxpayers - Oak Park
Current Fiscal Year and Nine Years Ago
(in thousands)

Assessee	2019			2010		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
Regents University CA	\$ 22,889	1	2.86%	\$ -	-	-
Christian Brothers High School of Sacramento Inc	21,545	2	2.69%	-	-	-
Rainbow Baking Co of Sac Valley (BBU INC)	11,600	3	1.45%	14,619	2	2.11%
University of the Pacific	9,973	4	1.24%	-	-	-
Great Chi Investment LLC	6,138	5	0.77%	-	-	-
Broadway/Stockton Food Source Inv LLC	5,667	6	0.71%	5,139	5	0.74%
Crestwood-Medical Center Hospital	4,767	7	0.60%	4,141	7	0.60%
Security Public Storage - Sacramento	4,125	8	0.51%	3,520	8	0.51%
Edmar Invs LLC (Walgreens)	3,512	9	0.44%	3,058	9	0.44%
University of the Pacific	3,373	10	0.42%	-	-	-
Glassrock Partnership	-	-	-	19,824	1	2.87%
GCCFC 2005 GG5 Y Street Limited Partnership	-	-	-	9,904	3	1.43%
Ticon III LP/Douglas Brown	-	-	-	5,804	4	0.84%
Donald/Virginia Compton Family Trust	-	-	-	4,381	6	0.63%
Campbell Taggart Baking Company	-	-	-	2,121	10	0.31%
Sub Total	93,589		11.68%	72,511		10.48%
All Other Taxpayers	707,505		88.32%	619,234		89.52%
Total	\$ 801,094		100.00%	\$ 691,745		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2018-19 Project Area total taxable value.

City of Sacramento
Successor Agency Trust Fund
Principal Property Taxpayers - River District
Current Fiscal Year and Nine Years Ago
(in thousands)

Assessee	2019			2010		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
California Almond Growers Exchange	\$ 99,132	1	20.88%	\$ 27,845	2	7.29%
Grove River District LLC	37,559	2	7.91%	7,680	7	2.01%
Scannell Properties 310 LLC	14,535	3	3.06%	-	-	-
Township Nine Ave LLC	9,809	4	2.07%	-	-	-
444 N3	7,744	5	1.63%	-	-	-
DFN LLC	7,036	6	1.48%	-	-	-
Detmer Family Limited Partnership	6,866	7	1.45%	-	-	-
Sandman Property LLC	6,464	8	1.36%	-	-	-
JMDH Real Estate Sacramento LLC	6,395	9	1.35%	-	-	-
American Rivers Invs Incorporated	6,250	10	1.32%	-	-	-
Grove Investment Company	-	-	-	30,188	1	7.90%
RECP HAW Sacramento LLC	-	-	-	18,007	3	4.71%
Mendell Allan/ETAL	-	-	-	12,547	4	3.28%
BRE/LQ Props LLC	-	-	-	10,415	5	2.73%
Capitol Station 65 LLC	-	-	-	9,229	6	2.42%
HKM	-	-	-	7,032	8	1.84%
Bank of America	-	-	-	6,118	9	1.60%
Dos Rios Venture	-	-	-	5,965	10	1.56%
Sub Total	201,790		42.49%	135,026		35.35%
All Other Taxpayers	273,068		57.51%	246,984		64.65%
Total	\$ 474,858		100.00%	\$ 382,010		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2018-19 Project Area total taxable value.

City of Sacramento
Successor Agency Trust Fund
Principal Property Taxpayers - North Sacramento
Current Fiscal Year and Nine Years Ago
(in thousands)

Assessee	2019			2010		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
Seven Up Bottling Company of San Francisco	\$ 39,363	1	5.78%	\$ 9,549	6	1.78%
Price Company	26,313	2	3.86%	17,747	2	3.32%
Omninet Sacramento Jardinette LLC	16,908	3	2.48%	-	-	-
Sacramento Healthcare Investors LP	15,939	4	2.34%	-	-	-
McCuen Acoma Street Investors	13,035	5	1.91%	11,350	5	2.12%
Roseville Life Properties	11,098	6	1.63%	-	-	-
SSCA 1300 El Camino Ave LLC	9,103	7	1.34%	-	-	-
Plaza Ave Apartments LLC	7,612	8	1.12%	-	-	-
Recreational Equipment Inc	7,365	9	1.08%	-	-	-
Sent Expo Pointe LLC	7,200	10	1.06%	8,483	7	1.58%
PD Hotel Associates LLC	-	-	-	21,309	1	3.98%
JB Management LP	-	-	-	28,981	3	5.41%
North Sacramento Land Company	-	-	-	12,007	4	2.24%
HOF Financial I LLC	-	-	-	7,866	8	1.47%
Dos Robles Limited Partnership	-	-	-	7,076	9	1.32%
2006 Tcherkoyan Family Trust	-	-	-	7,065	10	1.32%
Sub Total	153,936		22.60%	131,433		24.56%
All Other Taxpayers	527,139		77.40%	403,791		75.44%
Total	\$ 681,075		100.00%	\$ 535,224		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2018-19 Project Area total taxable value.

City of Sacramento
Successor Agency Trust Fund
Principal Property Taxpayers - Franklin Boulevard
Current Fiscal Year and Nine Years Ago
(in thousands)

Assessee	2019			2010		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
6200 Franklin LLC	\$ 20,556	1	3.34%	\$ -	-	-
United States Cold Storage Calif	10,355	2	1.68%	7,971	4	1.56%
Hillside Apartments LLC	8,015	3	1.30%	-	-	-
Sacramento Children's Home (Garfield Beach CVS LLC)	7,835	4	1.27%	5,291	7	1.03%
Greystone Place Invs LLC	7,269	5	1.18%	-	-	-
ARB Invs	7,163	6	1.16%	-	-	-
Rosedown Associates LLC	6,551	7	1.06%	7,556	6	1.48%
ABF Freight System Inc	4,927	8	0.80%	-	-	-
Extra Space Properties Two LLC	4,725	9	0.77%	7,772	5	1.52%
Campus Plaza Associates	4,724	10	0.77%	-	-	-
Campbell Soup	-	-	-	38,175	1	7.46%
Western Village LP	-	-	-	13,150	2	2.57%
Preservation Southpointe LLP	-	-	-	10,406	3	2.03%
TESCO Controls Inc.	-	-	-	4,739	8	0.93%
Sei/PSP Vi Joint Ventures	-	-	-	4,024	9	0.79%
Bowling Green Associates	-	-	-	3,899	10	0.76%
Sub Total	82,120		13.35%	102,983		20.14%
All Other Taxpayers	533,051		86.65%	408,410		79.86%
Total	\$ 615,171		100.00%	\$ 511,393		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2018-19 Project Area total taxable value.

City of Sacramento
Successor Agency Trust Fund
Principal Property Taxpayers - Stockton Boulevard
Current Fiscal Year and Nine Years Ago
(in thousands)

Assessee	2019			2010		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
Stockton Plaza Partners LLC	\$ 14,661	1	2.87%	\$ 11,909	4	2.82%
EKG Investors LLC	14,260	2	2.79%	13,602	1	3.22%
Sustained Invs LLC	10,877	3	2.13%	-	-	-
ESP 135 LLC	9,333	4	1.83%	-	-	-
John M/Nancy M Kehriotis Living Trust	8,326	5	1.63%	7,250	7	1.72%
NT Stockton Invs LLC	7,940	6	1.55%	6,659	9	1.58%
Long Sight Properties LLC	6,643	7	1.30%	-	-	-
Brittany Arms LLC	6,373	8	1.25%	5,549	10	1.31%
Monument Properties Sacramento LLC	6,319	9	1.24%	-	-	-
Little Saigon Plaza Sacramento	6,049	10	1.18%	-	-	-
BE Saigon Plaza LLC	-	-	-	17,505	2	4.14%
Lemon Hill Housing Associates LP	-	-	-	16,146	3	3.82%
Sommerset Place Limited Partnership	-	-	-	9,667	5	2.29%
Gonzalez Jaime/Gloria	-	-	-	9,248	6	2.19%
Shiloh Arms LTD	-	-	-	6,851	8	1.62%
Sub Total	90,781		17.78%	104,386		24.69%
All Other Taxpayers	419,861		82.22%	318,320		75.31%
Total	\$ 510,642		100.00%	\$ 422,706		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2018-19 Project Area total taxable value.

City of Sacramento
Successor Agency Trust Fund
Principal Property Taxpayers - Army Depot
Current Fiscal Year and Nine Years Ago
(in thousands)

Assessee	2019			2010		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
Watt Elder Creek Holdings LLC	\$ 12,600	1	1.43%	\$ -	-	-
Elder Crk Transf/Recov Inc (Allied Waste Indus Inc)	11,287	2	1.28%	9,958	2	1.19%
Pitalo John E	4,958	3	0.56%	-	-	-
Power Inn Business Park LLC	4,793	4	0.54%	-	-	-
Younger Creek Management LLC	3,381	5	0.38%	-	-	-
PW Fund B LP	3,309	6	0.38%	-	-	-
AVJOG Sacramento LLC	2,780	7	0.32%	-	-	-
3RE2 LLC	2,463	8	0.28%	-	-	-
Preet LLC	2,460	9	0.28%	-	-	-
Fedex Ground Package System Inc	2,428	10	0.28%	-	-	-
R/G Hayward LLC	-	-	-	15,612	1	1.86%
Ballantyne Diana S/Mark C/Jan W Leo	-	-	-	7,829	3	0.93%
Engineered Polymer Solutions	-	-	-	7,704	4	0.92%
California Emergency Foodlink	-	-	-	7,229	5	0.86%
C/S Logistics Sacramento/TRA	-	-	-	6,991	6	0.83%
Buzz Oates LLC	-	-	-	6,504	7	0.77%
Kennedy Estates Housing Associates	-	-	-	6,444	8	0.77%
A/W Investments LLC	-	-	-	5,752	9	0.68%
Teichert Land Company	-	-	-	5,609	10	0.67%
Sub Total	50,459		5.74%	79,632		9.48%
All Other Taxpayers	829,076		94.26%	760,135		90.52%
Total	\$ 879,535		100.00%	\$ 839,767		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2018-19 Project Area total taxable value.

City of Sacramento
Successor Agency Trust Fund
Principal Property Taxpayers - 65th Street
Current Fiscal Year and Nine Years Ago
(in thousands)

Assessee	2019			2010		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
NB Element DST	\$ 83,523	1	15.65%	\$ -	-	-
AMCAL Sacramento LLC	80,316	2	15.05%	-	-	-
SSC Sacramento Apartments LLC	73,868	3	13.84%	-	-	-
Nancy C Cleavinger Revocable Trust (65th and Folsom)	30,304	4	5.68%	-	-	-
Target Corporation	28,123	5	5.27%	15,171	3	5.22%
Jackson IV LLC	17,079	6	3.20%	-	-	-
65th St Village LLC (65th & Folsom LP)	11,777	7	2.21%	10,222	4	3.52%
CPCA 7716 Folsom Blvd LLC	11,049	8	2.07%	-	-	-
Academy on 65th State Owner LLC	11,042	9	2.07%	-	-	-
Atlas Disposal Industries LLC	6,494	10	1.22%	-	-	-
Valeo Sacramento	-	-	-	36,226	1	12.47%
Sally R Davis Trust	-	-	-	26,468	2	9.11%
Farming Company Folsom Blvd LLC Etal	-	-	-	10,144	5	3.49%
Dimension Properties LLC	-	-	-	5,560	6	1.91%
7301 14th Ave LLC	-	-	-	4,965	7	1.71%
Kenneth/Susan Cathchot Family 2005 Revocable Trust	-	-	-	4,907	8	1.69%
American River Self Storage LP	-	-	-	4,550	9	1.57%
2800 Pico Associates LLC	-	-	-	4,061	10	1.40%
Sub Total	353,575		66.27%	122,274		42.10%
All Other Taxpayers	180,001		33.73%	168,150		57.90%
Total	\$ 533,576		100.00%	\$ 290,424		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2018-19 Project Area total taxable value.

City of Sacramento
Successor Agency Trust Fund
Principal Property Taxpayers - Railyards
Current Fiscal Year and Six Years Ago
(in thousands)

Assessee	2019			2010		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
Downtown Railyard Venture LLC	\$ 17,323	1	24.23%	\$ -	-	-
Pac West Office Equities Limited Partnership	14,800	2	20.70%	-	-	-
1238 Sutter Street LLC	7,699	3	10.77%	-	-	-
Sutter HOJ LP	5,046	4	7.06%	-	-	-
Sacramento Co Emp Credit Union	4,682	5	6.55%	3,787	5	3.96%
PDRA/Company LLC	4,083	6	5.71%	3,556	6	3.72%
PLF Bldg LLC	3,846	7	5.38%	-	-	-
Strumwasser Michael J	3,376	8	4.72%	2,939	7	3.08%
Bowman/Bay Building Joint Venture	2,442	9	3.42%	2,126	8	2.23%
Kaiser Foundation Hosps	1,872	10	2.62%	-	-	-
IA Sacramento Development LLC	-	-	-	46,833	1	49.02%
CCAA Partners LLC/Bruce W. Bell/Etal	-	-	-	14,906	2	15.60%
New Baytree LLC	-	-	-	9,046	3	9.47%
REA Limited Partnership	-	-	-	5,406	4	5.66%
CNPA Services Inc	-	-	-	1,598	9	1.67%
John Morgan/Nelly B Patino/Eddie Cuevas	-	-	-	1,564	10	1.64%
Sub Total	65,169		91.15%	91,761		96.05%
All Other Taxpayers	6,326		8.85%	3,775		3.95%
Total	\$ 71,495		100.00%	\$ 95,536		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2018-19 Project Area total taxable value.

City of Sacramento
Successor Agency Trust Fund
Debt Coverage Analysis
Last Ten Fiscal Years
(in thousands)

RDA - All Project Areas

Fiscal Year	Total Tax Increment	Property Tax Collection Fee	AB 1290 Pass thru	Net Tax Revenues	Senior Debt Service	Senior Debt Service Coverage	Subordinate Debt Service	Total Debt Service	Total Debt Service Coverage
2009-10	\$ 42,876	\$ 438	\$ 3,050	\$ 39,388	\$ 21,790	1.81	NA	NA	NA
2010-11	35,280	580	2,684	32,016	21,776	1.47	NA	NA	NA
2011-12	42,334	726	2,911	38,698	22,120	1.75	\$ 6,008	\$ 28,128	1.38 (1)
2012-13	41,304	745	2,556	38,003	22,087	1.72	6,619	28,706	1.32
2013-14	42,684	687	3,037	38,960	24,896	1.56	5,123	30,019	1.30 (3)
2014-15	43,657	649	3,911	39,097	21,937	1.78	9,158	31,095	1.26
2015-16	49,142	690	5,766	42,686	11,794	3.62	15,610	27,404	1.56 (4)
2016-17	53,765	709	1,201	51,855	11,793	4.40	14,059	25,852	2.01
2017-18	67,464	823	11,550	55,091	398	138.42	24,270	24,668	2.23 (5)
2018-19	73,805	867	13,766	59,172	10,423	5.68	15,194	25,617	2.31 (6)

Merged Downtown

Fiscal Year	Total Tax Increment	Property Tax Collection Fee	AB 1290 Pass thru	Net Tax Revenues	Senior Debt Service	Senior Debt Service Coverage	Subordinate Debt Service	Total Debt Service	Total Debt Service Coverage
2009-10	\$ 29,144	\$ 282	\$ 1,606	\$ 27,256	\$ 16,072	1.70	NA	NA	NA
2010-11	23,069	387	1,454	21,228	16,051	1.32	NA	NA	NA
2011-12	23,750	406	807	22,537	16,254	1.39	\$ 2,608	\$ 18,862	1.19 (1)
2012-13	23,260	419	652	22,189	16,298	1.36	2,655	18,953	1.17
2013-14	23,042	372	580	22,090	16,245	1.36	4,188	20,433	1.08 (2)
2014-15	23,121	350	1,071	21,700	16,242	1.34	4,980	21,222	1.02
2015-16	27,081	372	2,415	24,294	11,395	2.13	146	11,541	2.11 (4)
2016-17	27,978	376	485	27,117	11,395	2.38	146	11,541	2.35
2017-18	37,146	451	5,665	31,030	-	-	146	146	212.53 (5)
2018-19	38,341	459	6,191	31,691	10,025	3.16	43	10,068	3.15

Del Paso Heights

Fiscal Year	Total Tax Increment	Property Tax Collection Fee	AB 1290 Pass thru	Net Tax Revenues	Senior Debt Service	Senior Debt Service Coverage	Subordinate Debt Service	Total Debt Service	Total Debt Service Coverage
2009-10	\$ 3,222	\$ 33	\$ 377	\$ 2,812	\$ 1,627	1.73	NA	NA	NA
2010-11	2,901	45	322	2,534	1,626	1.56	NA	NA	NA
2011-12	2,551	44	199	2,307	1,769	1.30	\$ 100	\$ 1,869	1.23 (1)
2012-13	2,549	46	194	2,309	1,644	1.40	240	1,884	1.23
2013-14	2,853	44	245	2,564	1,618	1.58	230	1,848	1.39
2014-15	3,149	44	337	2,768	1,618	1.71	231	1,849	1.50
2015-16	3,190	45	384	2,761	-	-	14	14	197.21 (4)
2016-17	3,524	45	100	3,379	-	-	14	14	241.36
2017-18	3,978	50	638	3,290	-	-	14	14	235.00
2018-19	4,406	52	785	3,569	-	-	14	14	254.93

Notes:

NA Subordinate debt was not presented in prior years. Prior years information not available for River District, Franklin Boulevard, Army Depot and 65th Street.

(1) Revised to include 2008 B of A Public Capital Corp Debt.

(2) Revised to correct 2005 Merged Downtown ML Refunding from senior to subordinate debt.

(3) Revised to correct total tax increment received.

(4) Various subordinate debts and a majority of the senior debts were refunded in 2015.

(5) 1993 Merged Downtown TABS were paid off in 2018.

(6) Total Debt Service includes \$13,166 related to the 2015 Tax Allocation Refunding Bonds, Series A and B not allocated between project areas.

City of Sacramento
Successor Agency Trust Fund
Debt Coverage Analysis
Last Ten Fiscal Years
(in thousands)

Alkali Flat

Fiscal Year	Total Tax Increment	Property Tax Collection Fee	AB 1290 Pass thru	Net Tax Revenues	Senior Debt Service	Senior Debt Service Coverage	Subordinate Debt Service	Total Debt Service	Total Debt Service Coverage
2009-10	\$ 1,253	\$ 15	\$ 54	\$ 1,185	\$ 616	1.92	NA	NA	NA
2010-11	1,106	18	68	1,020	619	1.65	NA	NA	NA
2011-12	1,077	18	19	1,039	622	1.67	\$ 463	\$ 1,085	0.96 (1)
2012-13	1,049	19	10	1,020	623	1.64	467	1,090	0.94
2013-14	1,028	16	9	1,003	612	1.64	461	1,073	0.93
2014-15	1,148	16	64	1,068	613	1.74	464	1,077	0.99
2015-16	1,111	17	67	1,027	-	-	466	466	2.20 (4)
2016-17	1,347	17	26	1,304	-	-	469	469	2.78
2017-18	1,791	29	317	1,445	-	-	471	471	3.07
2018-19	2,075	24	424	1,627	-	-	472	472	3.45

Oak Park

Fiscal Year	Total Tax Increment	Property Tax Collection Fee	AB 1290 Pass thru	Net Tax Revenues	Senior Debt Service	Senior Debt Service Coverage	Subordinate Debt Service	Total Debt Service	Total Debt Service Coverage
2009-10	\$ 4,213	\$ 49	\$ 372	\$ 3,792	\$ 2,757	1.38	NA	NA	NA
2010-11	3,871	60	314	3,498	2,761	1.27	NA	NA	NA
2011-12	3,772	63	150	3,559	2,756	1.29	\$ 103	\$ 2,859	1.24 (1)
2012-13	3,841	67	151	3,623	2,794	1.30	183	2,977	1.22
2013-14	4,364	67	244	4,053	2,752	1.47	173	2,925	1.39 (2)
2014-15	4,522	63	385	4,074	2,755	1.48	178	2,933	1.39
2015-16	4,915	70	613	4,232	-	-	34	34	124.47 (4)
2016-17	5,843	75	176	5,592	-	-	34	34	164.47
2017-18	6,213	79	1,091	5,043	-	-	34	34	148.32
2018-19	7,160	84	1,465	5,611	-	-	34	34	165.03

River District

Fiscal Year	Total Tax Increment	Property Tax Collection Fee	AB 1290 Pass thru	Net Tax Revenues	Senior Debt Service	Senior Debt Service Coverage	Subordinate Debt Service	Total Debt Service	Total Debt Service Coverage
2009-10	NA	NA	NA	NA	\$ -	-	NA	NA	NA
2010-11	NA	NA	NA	NA	-	-	NA	NA	NA
2011-12	\$ 1,372	\$ 25	\$ 246	\$ 1,100	-	-	\$ 494	\$ 494	2.23 (1)
2012-13	1,294	26	227	1,041	-	-	654	654	1.59
2013-14	1,025	20	259	746	-	-	646	646	1.15 (3)
2014-15	1,542	23	280	1,239	-	-	642	642	1.93
2015-16	1,544	22	288	1,234	-	-	229	229	5.39 (4)
2016-17	1,633	22	29	1,582	-	-	229	229	6.91
2017-18	1,793	23	338	1,432	-	-	230	230	6.23
2018-19	2,203	25	428	1,750	-	-	228	228	7.68

Notes:

NA Subordinate debt was not presented in prior years. Prior years information not available for River District, Franklin Boulevard, Army Depot and 65th Street.

(1) Revised to include 2008 B of A Public Capital Corp Debt.

(2) Revised to correct 2005 Merged Downtown ML Refunding from senior to subordinate debt.

(3) Revised to correct total tax increment received.

(4) Various subordinate debts and a majority of the senior debts were refunded in 2015.

City of Sacramento
Successor Agency Trust Fund
Debt Coverage Analysis
Last Ten Fiscal Years
(in thousands)

North Sacramento

Fiscal Year	Total Tax Increment	Property Tax Collection Fee	AB 1290 Pass thru	Net Tax Revenues	Senior Debt Service	Senior Debt Service Coverage	Subordinate Debt Service	Total Debt Service	Total Debt Service Coverage
2009-10	\$ 3,087	\$ 36	\$ 237	\$ 2,814	\$ 530	5.30	NA	NA	NA
2010-11	2,722	45	209	2,468	528	4.68	NA	NA	NA
2011-12	2,439	44	187	2,208	539	4.10	\$ 629	\$ 1,168	1.89 (1)
2012-13	2,323	44	165	2,114	537	3.94	779	1,316	1.61
2013-14	2,303	38	247	2,018	524	3.85	778	1,302	1.55 (2)
2014-15	2,689	37	262	2,390	530	4.51	772	1,302	1.84
2015-16	2,819	40	282	2,497	218	11.45	375	593	4.21 (4)
2016-17	2,951	41	-	2,910	218	13.35	374	592	4.92
2017-18	3,229	40	323	2,866	218	13.15	377	595	4.82
2018-19	3,824	45	388	3,391	218	15.56	375	593	5.72

Franklin Boulevard

Fiscal Year	Total Tax Increment	Property Tax Collection Fee	AB 1290 Pass thru	Net Tax Revenues	Senior Debt Service	Senior Debt Service Coverage	Subordinate Debt Service	Total Debt Service	Total Debt Service Coverage
2009-10	NA	NA	NA	NA	\$ -	-	NA	NA	NA
2010-11	NA	NA	NA	NA	-	-	NA	NA	NA
2011-12	\$ 2,225	\$ 39	\$ 184	\$ 2,002	-	-	\$ 100	\$ 100	20.02 (1)
2012-13	2,354	41	195	2,118	-	-	109	109	19.43
2013-14	2,414	38	189	2,187	-	-	99	99	22.09
2014-15	952	24	117	811	-	-	99	99	8.19 (3)
2015-16	1,640	23	116	1,501	-	-	41	41	36.61
2016-17	2,050	25	-	2,025	-	-	41	41	49.39
2017-18	2,511	30	217	2,264	-	-	41	41	55.22
2018-19	2,826	33	256	2,537	-	-	41	41	61.88

Stockton Boulevard

Fiscal Year	Total Tax Increment	Property Tax Collection Fee	AB 1290 Pass thru	Net Tax Revenues	Senior Debt Service	Senior Debt Service Coverage	Subordinate Debt Service	Total Debt Service	Total Debt Service Coverage
2009-10	\$ 1,957	\$ 22	\$ 405	\$ 1,529	\$ 187	8.19	NA	NA	NA
2010-11	1,611	26	317	1,268	191	6.63	NA	NA	NA
2011-12	1,496	26	387	1,083	180	6.02	\$ 250	\$ 430	2.52 (1)
2012-13	1,369	24	329	1,016	191	5.32	261	452	2.25
2013-14	1,420	24	377	1,019	180	5.66	245	425	2.40
2014-15	1,755	24	446	1,285	180	7.14	246	426	3.02
2015-16	1,933	28	526	1,379	180	7.66	149	329	4.19 (4)
2016-17	2,238	28	65	2,145	180	11.92	149	329	6.52
2017-18	2,598	33	770	1,795	180	9.97	167	347	5.17
2018-19	2,966	35	911	2,020	180	11.22	169	349	5.79

Notes:

NA Subordinate debt was not presented in prior years. Prior years information not available for River District, Franklin Boulevard, Army Depot and 65th Street.

(1) Revised to include 2008 B of A Public Capital Corp Debt.

(2) Revised to correct 2005 Merged Downtown ML Refunding from senior to subordinate debt.

(3) Revised to correct total tax increment received.

(4) Various subordinate debts and a majority of the senior debts were refunded in 2015.

City of Sacramento
Successor Agency Trust Fund
Debt Coverage Analysis
Last Ten Fiscal Years
(in thousands)

Army Depot

Fiscal Year	Total Tax Increment	Property Tax Collection Fee	AB 1290 Pass thru	Net Tax Revenues	Senior Debt Service	Senior Debt Service Coverage	Subordinate Debt Service	Total Debt Service	Total Debt Service Coverage
2009-10	NA	NA	NA	NA	\$ -	-	NA	NA	NA
2010-11	NA	NA	NA	NA	-	-	NA	NA	NA
2011-12	\$ 2,617	\$ 44	\$ 523	\$ 2,050	-	-	\$ 737	\$ 737	2.78 (1)
2012-13	2,342	43	452	1,847	-	-	748	748	2.47
2013-14	3,200	50	643	2,507	-	-	735	735	3.41
2014-15	3,556	50	699	2,807	-	-	739	739	3.80
2015-16	3,944	56	847	3,041	-	-	267	267	11.39 (2)
2016-17	4,579	58	236	4,285	-	-	267	267	16.05
2017-18	5,428	67	1,376	3,985	-	-	268	268	14.87
2018-19	6,755	73	1,882	4,800	-	-	266	266	18.05

65th Street

Fiscal Year	Total Tax Increment	Property Tax Collection Fee	AB 1290 Pass thru	Net Tax Revenues	Senior Debt Service	Senior Debt Service Coverage	Subordinate Debt Service	Total Debt Service	Total Debt Service Coverage
2009-10	NA	NA	NA	NA	\$ -	-	NA	NA	NA
2010-11	NA	NA	NA	NA	-	-	NA	NA	NA
2011-12	\$ 1,035	\$ 17	\$ 207	\$ 811	-	-	\$ 524	\$ 524	1.55 (1)
2012-13	923	16	181	726	-	-	523	523	1.39
2013-14	834	14	185	635	-	-	506	506	1.25
2014-15	1,030	14	197	819	-	-	500	500	1.64
2015-16	1,067	16	228	823	-	-	388	388	2.12 (2)
2016-17	1,540	19	79	1,442	-	-	388	388	3.72
2017-18	2,578	29	784	1,765	-	-	387	387	4.56
2018-19	3,249	37	1,036	2,176	-	-	386	386	5.64

Notes:

NA Subordinate debt was not presented in prior years. Prior years information not available for River District, Franklin Boulevard, Army Depot and 65th Street.

(1) Revised to include 2008 B of A Public Capital Corp Debt.

(2) Revised to correct 2005 Merged Downtown ML Refunding from senior to subordinate debt.

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City of Sacramento
Full-time Equivalent Employees by Function/Program
Last Ten Fiscal Years

Function/Program	Full-time Equivalent Employees as of June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Citywide and community support	-	-	-	23	23	21	5	5	5	5
Code enforcement	90	-	-	-	-	-	-	-	-	-
Community development	107	170	166	159	163	166	219	227	250	273
Convention and cultural services	206	196	194	133	138	126	120	116	115	115
Development services	-	-	-	-	-	-	-	-	-	-
Economic development	22	18	14	11	11	11	11	12	- ⁽²⁾	-
Fire	582	611	589	527	642	657	674	678	672	681
General government	329	319	312	305	320	325	370	431	512	531
General services	257	247	225	368	367	372	- ⁽¹⁾	-	-	-
Neighborhood services	9	-	-	-	-	-	-	-	-	-
Youth, parks, and community enrichment	680	648	579	553	577	568	599	683	616	619
Planning	-	-	-	-	-	-	-	-	-	-
Police	1,091	1,060	900	847	940	973	1,033	1,052	1,030	1,034
Public works	-	-	-	395	406	415	732	725	723	735
Transportation	424	409	409	-	-	-	-	-	-	-
Utilities	752	698	698	505	510	522	538	528	546	562
Total	4,549	4,376	4,086	3,826	4,097	4,156	4,301	4,457	4,469	4,555

Notes: (1) The Department of General Services has been reallocated to the Departments of Community Development, Information Technology and Public Works.
(2) The Department of Economic Development has been reallocated to the Department of General Government.

**City of Sacramento
Operating Indicators by Function/Program
Last Ten Fiscal Years**

Function/program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Adult arrests	20,555	19,885	17,058	18,650	19,570	18,113	16,778	14,476	13,350	13,975
Citizen initiated calls for service with officer responses	176,157	166,207	154,193	154,233	118,975	141,181	149,275	148,663	152,597	161,914
Fire⁽¹⁾										
Number of incidents	59,608 ⁽²⁾	71,111	73,343	74,427	75,000	80,596	85,742	90,018	92,026	93,836
Number of structure fires	359 ⁽²⁾	606	652	680	586	784	756	735	767	998
Number of construction inspection/reviews	2,790	NA	1,895	4,568 ⁽¹²⁾	4,761	3,234	4,181	8,268 ⁽²³⁾	10,102	9,830
General services										
Number of animal licenses issued	17,094	17,132	17,318	15,810 ⁽¹³⁾	15,057	8,995	12,016 ⁽²¹⁾	14,428	23,799	31,507
Number of animal outplacements	3,300	2,901	3,750	5,521 ⁽¹⁴⁾	6,167	7,447	8,789	9,248	9,589	8,529
Public works										
Number of traffic investigations completed	903	712 ⁽⁴⁾	717	821	936	678	896	1,001	1,041	613
Number of parking citations issued	240,248	184,215 ⁽⁵⁾	164,492	165,700	171,066	196,586	192,708	183,326	197,170	200,338
Convention and cultural services										
Number of Community Convention Center events	453	417	389	378	378	358	408	430	372	229
Community Convention Center event attendance	780,000	873,577	796,000	645,000 ⁽¹⁵⁾	881,253	775,253	744,145	905,733 ⁽²⁴⁾	1,034,980	902,110
Number of Zoo attendance	481,452	498,518	526,959	508,061	512,758	549,407	533,368	500,573	500,535	472,440
Youth, parks, and community enrichment										
Number of students enrolled in START	8,563	7,437	5,755 ⁽⁷⁾	5,330	5,603	6,897	4,534 ⁽²²⁾	2,785 ⁽²⁵⁾	711 ⁽²⁷⁾	477
Number of students enrolled in 4th R ⁽⁹⁾	2,600	2,142	1,899	1,949	1,955	2,007	1,863	1,180	2,419 ⁽²⁸⁾	2,250
Number of lunches served through food programs	120,726 ⁽³⁾	133,687	42,848 ⁽⁶⁾	- ⁽¹⁶⁾	-	-	-	-	-	-
Community development⁽¹⁸⁾										
Number of building permits issued	11,786	11,474	11,545	12,146	13,950	14,002	17,041	18,701	20,582	19,365
Building permit valuation (in million of dollars)	543	387	281	391	362	544	778	1,267	1,243	1,809
Vehicles abated by City	694	429	254 ⁽¹⁰⁾	282	343	356	772	1,644	2,306	2,880
Notice and orders issued on housing and dangerous buildings	305	250	188 ⁽¹¹⁾	253	154	279	239	206	382	369
Water										
Number of accounts	136,600	136,812	137,148	135,353	135,590	134,971	136,130	139,238	140,735	142,831
Amount distributed/pumped (million of gallons)	38,453	37,393	38,692	40,034	34,896	29,557	27,324	28,511	30,800	28,478
Wastewater										
Number of accounts	76,385	76,394	76,477	76,484	76,657	76,471	76,849	77,137	77,521	78,125
Amount distributed/pumped (million of gallons)	14,302	NA	10,695	6,805 ⁽¹⁷⁾	10,603	10,605	10,605	10,605	9,025	6,356
Storm drainage										
Number of accounts	132,556	133,188	133,814	134,651	135,834	136,850	137,754	139,198	140,934	142,858
Amount distributed/pumped (million of gallons)	27,288	NA	28,445	17,602	14,585 ⁽¹⁹⁾	24,179	20,225	46,964 ⁽²⁶⁾	18,321 ⁽²⁶⁾	33,624 ⁽²⁶⁾
Solid waste										
Residential garbage disposed (in Tons)	112,203	110,103	106,085	109,141	109,060	111,140	112,497	118,355	118,437	136,049
Commercial garbage collected (in Tons)	17,688	12,918 ⁽⁶⁾	12,251	1,222	- ⁽²⁰⁾	-	-	-	-	-

Notes: (1) The threshold for investigation of a fire was raised from \$10,000 or \$30,000 in fiscal year 2005.

(2) Due to a system problem in October 2009, only 11 months of data is available.

(3) In FY10, the decrease in number of lunches served through food programs was due to a decrease in number of sites in operation from 112 to 43.

The sites were scaled back to better manage the program and reduce waste.

(4) In FY11, the reason for the significant drop in the number of traffic investigations completed was due to the decrease in calls from the General Public.

In addition, FY11 onwards, Maintenance Calls were excluded.

(5) In FY11, the reasons for the significant drop in the number of citations written were due to (a) the depressed economy;

(b) there were 4 fewer parking enforcement officers; and (c) the staff were furloughed.

(6) In FY11, the reason for the significant drop in the commercial garbage collected was primarily due to loss of two major accounts,

i.e. Sacramento City Unified School District to Atlas Disposal and California State University, Sacramento to Allied Waste.

(7) In FY12, the number of school sites the City of Sacramento served under START program was reduced from 57 to 46, thus reducing the total number of students enrolled.

(8) In FY12, the number of lunches served through food programs decreased significantly because the federal grant for this program ended in September 2011.

(9) The number of students enrolled in 4th R program has been declining since FY09 due to substantial decline in the subsidy-side of enrollees.

Due to the recession many parents/guardians lost their employment and were not pursuing post secondary education/skill training which make them

ineligible to receive these subsidies because the requirement for eligibility is either employment or post secondary education/skill training.

In addition, there was also some decline in fee based enrollment.

(10) In FY12, the number of vehicles abated by City decreased significantly due to the slow economic conditions which led to people holding onto their vehicles longer as well as

turning in vehicles for the cost of parts or scrap metal.

(11) In FY12, the number of complaints for housing and dangerous buildings declined largely due to proactive inspections performed under the City's Rental Housing Inspection

Program which led to decrease in notice and orders issued on housing and dangerous buildings.

(12) Fire Prevention has been working diligently to improve the way they track inspection data. Therefore, current year data is more accurate than prior years data.

(13) In FY13, the number of animal licenses issued declined largely due to economic downturn as pet owners make tough choices licensing suffered.

(14) Partnership with outside agencies in California and other states resulted in an increase in the number of animal outplacements in FY13.

(15) In FY13, the number of entertainment events at Memorial Auditorium declined largely due to a major stage extension maintenance/replacement project that limited its use for

approximately four months, no sold-out and extended-run performances. FY12 included sold out extended run performances of Wicked.

(16) In FY13, the summer food program is terminated.

(17) The reduction in flows have occurred due to water conservation efforts and reduced system infiltration caused by the below normal rainfall influence on the water table. There was

less rainfall in FY13 than in FY12.

(18) Prior to FY13, reported as Development and Code Enforcement Departments.

(19) Amount of storm drainage distributed/pumped is dependent on rainfall. There was less rainfall in FY14 than in FY13 and FY12.

(20) Solid Waste commercial garbage collection was discontinued in October 2012.

(21) In FY16, the number of animal licenses issued increased due to the implementation of web licensing.

(22) In FY16 attendance for the START program decreased due to Elk Grove School District not participating in the program

(23) In FY17, the number of construction inspections doubled

(24) In FY17, the number of attendance increased due to increase in events held at the center

(25) In FY17, the number of students enrolled in START decreased due to the closure of 18 sites (10 Sacramento City Unified School District and 8 Twin Rivers Unified School District sites)

(26) Amount of storm drainage distributed/pumped is dependent on rainfall.

(27) In FY18, the number of students enrolled in START decreased due to reduced funding and non renewal of 21st century federal grant.

(28) In FY18, the number of students enrolled in 4th R Program increased due to the addition of new site, i.e. Paso Verde. An average of 100 participants enrolled monthly at this site.

Source: Various City of Sacramento Departments

**City of Sacramento
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

Function/program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Number of stations ⁽¹⁾	4	4	4	4	4	4	4	4	4	4
Police										
Number of patrol units ⁽²⁾	242	242	242	263	243	226	231	234	229	190
Number of aircraft	3	3	4	4	4	4	4	4	5	5
Number of watercraft	2	2	3	3	3	2 ⁽¹¹⁾	2	5	4	4
Fire										
Number of stations	23	23	24	24	24	24	24	24	24	24
Number of fire suppression, support or prevention vehicles	160	160	159	159	159	159	162	162	162	162
Number of watercraft	NA	NA	NA	NA	NA	1 ⁽¹¹⁾	1	1	6	6
Public works										
Miles of streets	3,063	3,108	3,108	3,065	3,077	3,059	3,059	3,075	3,062	3,118
Number of street lights	41,252	41,301	41,679	41,788	42,048	42,225	42,627	42,914	43,223	43,438
Number of City parking spaces ⁽³⁾	8,484	8,484	8,484	8,484	8,484	4,775 ⁽¹²⁾	4,775	4,775	4,775	4,775
Miles of off-street bikeways	78	82	82	83	84	57	57	57	88	88
Youth, parks, and community enrichment										
Number of parks	212	213	213	222	222	222	225	227	227	213
Park acreage ⁽⁴⁾	3,171	3,171	3,150 ⁽⁹⁾	3,161 ⁽¹⁰⁾	3,161	3,161	3,183	3,177	3,177	3,340
Number of community centers ⁽⁵⁾	13	13	13	13	13	13	13	13	14	14
Number of swimming pools (including wading pools)	26	26	26	26	26	26	27	27	27	27
Water										
Miles of water mains and distribution lines ⁽⁶⁾⁽⁷⁾	1,724	1,596	1,599	1,599	1,597	1,727	1,599	1,604	1,607	1,603
Sewers and storm drainage										
Miles of sanitary sewers and storm drainage ⁽⁸⁾	1,950	1,954	1,951	1,951	1,951	1,873	1,869	1,876	1,960	1,961
Off-street parking										
Number of City garages and open parking lots	10	10	10	10	10	7 ⁽¹²⁾	7	7	7	7
Golf										
Number of golf courses	6	6	6	6	6	6	6	6	6	6
Marina										
Number of boat harbor slips	475	475	475	475	475	475	475	475	475	475

- Notes: (1) From FY2008 onwards, police stations refer to stations plus police headquarters.
(2) From FY2010 onwards, patrol units include cars and motorcycles.
(3) From FY2009 onwards, City parking spaces is defined as only those which are City-owned.
(4) Golf course acreage is not included from FY2005 onwards.
(5) Does not include neighborhood centers.
(6) Water mains are pipes over 12" in size. Pipes 12" or less are considered Distribution Lines. Reporting categories have been changed to show this distinction FY2011 onwards. In addition, FY2011 onwards, Service Mains and Hydrant Mains are excluded.
(7) From FY2009 onwards, does not include miles for private mains and mains owned by other agencies.
(8) Non-pipe elements may have been included in years prior to FY2009.
(9) In FY2012, the City conveyed 22.79 acres to a developer from Granite Regional Park, pursuant to a development agreement, and acquired two parcel adding 1.73 acres to the Sacramento River Parkway.
(10) In FY2013, the City added 10.78 acres in 6 parks (all in the River District in the Central City). Bercut Richards Plaza (0.12 ac.); Cannery Plaza parksite (0.19 ac.); Persimmon Paseo (0.21 ac.); Victory Promenade (0.49 ac.); 7th Street Promenade (1.0 ac.); and Township 9 Park (8.77 ac.).
(11) In FY2015, Police Department transfer one of their watercraft to Fire Department.
(12) The three Plaza garages - Downtown Plaza West, Central, and East were leased to the Kings effective 08/01/14.

City of Sacramento

Miscellaneous Statistics

Current Fiscal Year and Nine Years Ago

Date of incorporation	1849	
Date of charter	1921	
Date City became State Capitol	1854	
Form of government	Council/Manager	
	2019	2010
Number of budgeted positions	4,555	4,549
Area in square miles	100	99
Altitude in feet	20	20
City of Sacramento facilities and services:		
Police		
Number of stations	4	4
Number of police personnel sworn / civilian (actual)	688/319	705/466
Number of patrol units	190	242
Fire		
Number of stations	24	23
Number of fire personnel sworn / unsworn	643/68.5	591/43
Number of fire protection, support and prevention vehicles	162	160
Utilities		
Miles of water mains and distribution lines ⁽¹⁾	1,603	1,724
Annual water production in gallons	28 Billion	38.5 billion
Miles of sanitary sewers and storm drainage	1,961	1,950
Public works		
Miles of streets	3,118	3,063
Number of street lights	43,438	41,252
Number of City managed parking lots / spaces	20/4616	19/10,280
Miles of off-street bikeways	88	78
Boat harbor slips	475	475
Convention and cultural services		
Golf courses	6	6
Zoo animals ⁽²⁾	450	502
Fairytale town attendance for year	250,368	228,126
Crocker Art Museum attendance for year	257,674	92,442
Community Convention Center attendance for year	902,110	780,000
Youth, parks, and community enrichment		
Parks	213	212
Park acreage ⁽³⁾	3,340	3,173
Camp Sacramento attendance for year	3,113	2,901
Community centers	14	13
Neighborhood centers	3	8
Swimming pools	12	12
Baseball fields ⁽⁴⁾	95	49
Soccer fields	108	132
Ball courts	127	164
Library		
Library branches	12	28
Library books and audiovisual recordings in circulation	1,615,490	1,970,552

Notes: (1) Water mains are pipes over 12" in size. Pipes 12" or less are considered Distribution Lines. Reporting categories have been changed to show this distinction FY2011 onwards. In addition, FY2011 onwards, Service Mains and Hydrant Mains are excluded.

(2) Zoo animals number is comprised of animals on-site (either owned by zoo or owned by other entity).

(3) Golf course acreage is not included from FY2005 onwards.

(4) This includes softball, little league and adult baseball from FY2011 onwards.

Source: Various City of Sacramento departments and publications