

Annual Comprehensive Financial Report

FISCAL YEAR ENDED JUNE 30, 2021

CITY OF SACRAMENTO, CALIFORNIA



City of Sacramento

California

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2021

**Prepared by the Department of Finance,
Accounting Division**

**Dawn Holm, Finance Director
Osvaldo Lopez, Finance Manager**

Principal/Senior Accountant Auditors

**Sharina Bali
Doreen Chia
Svetlana Donkova
Jennifer Gilbertson**

**Emily Hsia
Thomas Keegan
Bilal Malik
Rona Mao**

**Susan Nazari
Ray Tang
Juliana Wong**

CITY OF SACRAMENTO, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2021

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Introductory Section

Howard Chan
City Manager

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

December 17, 2021

Honorable Mayor and City Council
City of Sacramento, California

Dear Mayor and Members of the City Council:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) for the City of Sacramento, California (City) for the fiscal year ended June 30, 2021. 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 national certified public accounting firm, performed the audit for the fiscal year ended June 30, 2021. Their unmodified ("clean") opinion has been included as the first component of the financial section of the ACFR.

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 a narrative 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, 2021, at 515,673 for the City and 1,561,014 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 Sacramento and American 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 ACFR presents the financial status of the City and its component units. Component units are separate legal entities included in this report due to significant operational or financial relationships with the City as defined below:

- **Sacramento City Financing Authority (SCFA) and Sacramento Public Financing Authority (SPFA)** are entities created to issue debt to finance City projects. The financials for these entities are reported on a blended basis as part of the primary government because the boards are composed of all City Councilmembers.
- **Sacramento City Employees' Retirement System (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 1977.
- **Successor Agency to the Redevelopment Agency of the City of Sacramento (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 City Council at least 60 days prior to the start of each fiscal year. Once approved by City 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 recent public health emergency related to the global Coronavirus 2019 (COVID-19) pandemic has presented unprecedented challenges, our local government and healthcare-based economy is expected to continue its economic recovery in 2022. As of June 2021, unemployment for the Sacramento metropolitan area was 6.9% compared to 12.8% a year earlier. In March 2020, the County of Sacramento issued a directive ordering all individuals living in the county to stay-at-home (SAH), except for essential activities, to help prevent the spread of COVID-19. Since then, the SAH order has been extended multiple times and continues to limit indoor activities of certain business sectors of the economy. These necessary actions to curb the transmission of the virus will continue to have a negative impact on the City's FY2021/22 revenues.

BUDGET INITIATIVES AND LONG-TERM FINANCIAL PLANNING

Along with other state and local agencies across the country, the City of Sacramento faced extraordinary budget challenges due to the public health emergency related to COVID-19. The unprecedented event continued to have a negative effect on the City's FY21 revenues. While sales tax revenue did better than anticipated, the TOT, parking and some Department revenues are not expected to recover as quickly. The FY2021/22 Operating and Capital Improvement Program (CIP) Budgets were approved on June 15, 2021 and represent a status quo budget, with the exception of a limited number of mission-critical augmentations. The Approved Budget includes funding to provide year-round respite centers, expand youth initiatives support the City's Creative Edge (Arts) Program and information technology needs, launch a participatory budgeting pilot program and address Department operations. It also includes adjustments needed to realize efficiencies and funding necessary to deliver programs and services (e.g., labor, debt, insurance) in the coming fiscal year.

The financial forecasts presented in the FY2021/22 Budget are based on in-depth analysis and review of Department revenues to ensure that the forecast is based on the most current information available relative to the pandemic and the impacts on operations.

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).

On June 12, 2019, the EUR Policy was amended to include Measure U resources in determining the annual set aside amount necessary to maintain a minimum General Fund/Measure U Fund (G/MU) reserve level of 10%. Further, the policy includes a goal of achieving and maintaining the value of two months of regular ongoing G/MU expenditures in the reserve. The current EUR balance is \$58.5 million, which is approximately 8.94% of FY2021/22 General/MU revenues. The EUR is reported in the ACFR as committed fund balance in the General Fund.

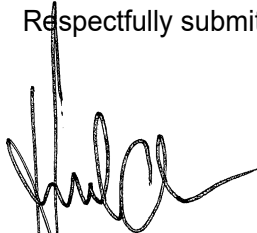
AWARDS AND ACKNOWLEDGEMENTS

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 ACFR for the fiscal year ended June 30, 2020. This marks the 33rd 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 ACFR. The report satisfied accounting principles generally accepted in the United States of America and applicable legal requirements. We believe this ACFR 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, Accounting Division in particular, takes great pride in the preparation of the ACFR. 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 in the Finance Department and 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.

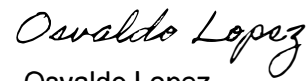
Respectfully submitted,



Howard Chan
City Manager



Dawn Holm
Finance Director



Osvaldo Lopez
Finance Manager

Organization Chart as of June 30, 2021

Mayor/Council

Office Public Safety Accountability
LaTasha Watson

City Attorney
Susana Alcalá Wood
Community Advocacy & Public Safety
General Council & Advisory
Litigation & Human Resources
Strategic Project & Research

City Auditor
Jorge Oseguera
Auditing
Research & Analysis
Whistleblower

City Manager
Howard Chan

City Clerk
Mindy Cuppy
Bids & Contracts
Boards & Commissions
Elections
Legislative Support
Records

City Treasurer
John Colville
Citywide Banking
Debt Management
Investments

Assistant to the City Manager
Amy Williams
Chief of Staff

Office of Media & Communications

Governmental Affairs

Performance Measures

LEGEND

- Mayor/Council Charter Office
- Mayor/Council Office or Program
- City Manager Reporting Department
- City Manager Office or Program

Assistant City Manager
Leyne Milstein
Internal Services

Finance
Dawn Holm
Accounting
Budget, Policy and Strategic Planning
Payroll
Procurement Services
Public Improvement Financing
Revenue

Human Resources
Shelley Banks-Robinson
ADA & Leaves
Benefits & Retirement
Employment, Classification & Development
Equal Employment Opportunity
Labor Relations
Risk Management (Safety & Workers' Compensation)

Information Technology
Maria MacGunigal
311 Center
Applications & Data Management
Enterprise Business Systems
Geographic Information Systems
IT Customer Services
Technical Support Services
Technical Administration

Cannabis
Diversity & Inclusion

Assistant City Manager
Chris Conlin
Public Safety

Community Response
Bridgette Dean
Unsheltered Population Coordination
Violence Prevention

Fire
Gary Loesch, Chief
Emergency Medical Services
Fire Prevention
Fire Suppression

Police
Daniel Hahn, Chief
Field Services
Investigations
Operational Services

Youth, Parks & Community Enrichment (YPCE)
Mario Lara
Capital City Golf
Historic City Cemetery
Neighborhood Services & Special Events
Park Maintenance Services
Park Planning & Development Services
Recreation

Office of Emergency Management
Youth Development

Assistant City Manager
Hector Barron
Municipal Services

Public Works
Ryan Moore
Engineering Services
Facilities/Real Property Management
Fleet Management
Maintenance Services
Parking Services
Sacramento Marina
Solid Waste
Transportation

Utilities
Bill Busath
Business & Integrated Planning
Engineering & Water Resources
Government Affairs
Operations & Maintenance
Public Affairs
Sustainability

Assistant City Manager
Michael Jasso
Community

Community Development
Tom Pace
Animal Care Services
Building
Business Compliance
Housing & Dangerous Buildings
Neighborhood Code Enforcement
Planning

Convention & Cultural Services
Jody Ulich
Center for Sacramento History
Crocketer Art Museum
Discovery Science & Space Center
Fairytale Town
Metropolitan Arts Commission
Old Sacramento Historic District
Sacramento Convention Center
Sacramento History Museum
Sacramento Zoo

Economic Development
Melissa Anguano
Deputy Director
Innovation & Economic Development

City of Sacramento

Directory of City Officials

June 30, 2021

Darrell Steinberg
Mayor

Angelique Ashby
Mayor Pro Tempore, District 1

Jay Schenirer
Vice Mayor, District 5

Sean Loloee
Councilmember, District 2

Eric Guerra
Councilmember, District 6

Jeff Harris
Councilmember, District 3

Rick Jennings, II
Councilmember, District 7

Katie Valenzuela
Councilmember, District 4

Mai Vang
Councilmember, District 8

Howard Chan
City Manager

Susana Alcala 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, 2020

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, 2021, 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

The City's 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, 2021, 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 the 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 of the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, and the introductory and statistical section 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 15, 2021, 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.

Macias Gini & O'Connell LLP

Sacramento, California
December 15, 2021

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City of Sacramento
Management's Discussion and Analysis
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2021

This section of the City's Annual Comprehensive Financial Report presents a narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2021. 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's General Fund revenue and other financing sources (uses) exceeded expenditures by \$15 million in fiscal year 2021. This is primarily attributable to tax and intergovernmental revenues in excess of expectation for the year.
- The City's General Fund budgetary expenditures were \$93 million lower than final budgeted amounts. Most of the General Fund departments reported favorable operating expenditure budget variances and capital outlay expenditures were less than budgeted amounts by \$20 million due to the multi-year nature of capital projects. Unspent multi-year project budgets are carried over to the subsequent fiscal year.
- The City's total government-wide net position increased by \$134 million in fiscal year 2021, a 6.1 percent increase.
- The City issued the Wastewater Revenue Refunding Bonds, Series 2020, in the amount of \$28 million to defease and refund \$25 million of the outstanding Wastewater Revenue Bonds, Series 2013. The 2020 Refunding reduced total debt service payments by \$5 million and resulted in an economic gain of \$3 million.
- The City received \$56 million of American Rescue Plan Act (ARPA) funding. No expenses were incurred using ARPA funds during the fiscal year and the balance will be applied to eligible expenses in future fiscal years through December 31, 2024. The City is expecting to receive another \$56 million of ARPA funding in fiscal year 2022.

OVERVIEW OF THE FINANCIAL STATEMENTS

The City's Annual Comprehensive 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 Schedules of Changes in Net Pension Liability and Related Ratios and Schedules of Contributions for the City's pension plans along with the Schedule of Changes in Net Other Postemployment 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, and custodial 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, 2021

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 custodian 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 held for bonded assessment and community facilities districts and investment trust funds, reported as custodial funds. Investment trust funds can only be used for the trust beneficiaries in accordance with trust agreements. 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, 2021

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, 2021 and 2020							
(in millions)							
	Governmental Activities		Business-type Activities		Total Primary Government		Total Percent Change
	2021	2020	2021	2020*	2021	2020*	
Current and other assets	\$ 1,196	\$ 1,169	\$ 574	\$ 684	\$ 1,770	\$ 1,853	-4.5%
Capital assets	1,841	1,807	1,821	1,647	3,662	3,454	6.0%
Total assets	<u>3,037</u>	<u>2,976</u>	<u>2,395</u>	<u>2,331</u>	<u>5,432</u>	<u>5,307</u>	2.4%
Deferred outflows of resources	210	211	30	28	240	239	0.4%
Long-term liabilities	1,836	1,809	1,132	1,095	2,968	2,904	2.2%
Other liabilities	140	178	51	77	191	255	-25.1%
Total liabilities	<u>1,976</u>	<u>1,987</u>	<u>1,183</u>	<u>1,172</u>	<u>3,159</u>	<u>3,159</u>	0.0%
Deferred inflows of resources	141	155	28	22	169	177	-4.5%
Net position							
Net investment in							
capital assets	1,361	1,319	1,167	1,167	2,528	2,486	1.7%
Restricted	366	339	46	51	412	390	5.6%
Unrestricted	(597)	(613)	1	(53)	(596)	(666)	-10.5%
Total net position	<u>\$ 1,130</u>	<u>\$ 1,045</u>	<u>\$ 1,214</u>	<u>\$ 1,165</u>	<u>\$ 2,344</u>	<u>\$ 2,210</u>	6.1%

*Other liabilities and unrestricted net position of business-type activities and the total primary government have been restated from previously reported amounts. More detailed information about the restatement is presented in Note 17 to the financial statements.

Analysis of net position

As noted in the financial highlights, total net position of the primary government increased by \$134 million in fiscal year 2021. Total assets increased \$125 million and total liabilities remained consistent with the prior fiscal year. Deferred outflows of resources increased \$1 million and deferred inflows of resources decreased \$8 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, 2021

Governmental activities

Current and other assets increased \$27 million primarily due to an increase in cash in the governmental funds from higher-than-expected tax revenue, receipts from the excess insurance carrier, and unspent ARPA funding received from the U.S. Treasury. This was offset partially by the spending down of Coronavirus Aid, Relief, and Economic Security (CARES) Act funding received in the previous year.

Capital assets of governmental activities increased \$34 million primarily due to continuing development and improvements in the area. Capital asset additions include the Greenbriar Community Facilities District project, North Natomas Community Center and Aquatics Complex, Meadowview Road project, Rio Linda and Main Bridge project, and the Airfield Park Phase I project. More detailed information about the City's capital assets is presented in Note 4 to the financial statements.

Long-term liabilities increased \$27 million primarily due to a \$33 million increase in net pension liability and \$11 increase in accrued claims and judgements related to the City's Risk Management Internal Service Fund. This was offset partially by \$19 million of principal payments on existing debt obligations and amortization of bond premiums. More detailed information about long-term liabilities is presented in Note 7 to the financial statements.

Other liabilities decreased \$38 million primarily due to recognition of \$82 million of revenue related to CARES funding that was previously unearned. This was offset by the establishment of \$56 million of unearned revenue related to unspent ARPA funding.

Deferred inflows of resources decreased \$14 million primarily due to a \$22 million decrease in deferred inflows related to OPEB. The decrease in deferred inflows related to OPEB was mainly driven by a decrease in deferred inflows for changes of assumptions. The decrease was offset by an \$9 million increase in deferred inflows related to pensions, mainly driven by an increase in deferred inflows for net differences between projected and actual earnings. 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 \$27 million primarily due to increases in restrictions for capital projects.

Business-type activities

Current and other assets of business-type activities decreased \$110 million primarily due to spending down of 2018 Transient Occupancy Tax (TOT) revenue bond and 2019 Sacramento Tourism Infrastructure District (STID) revenue bond proceeds received in previous years.

Capital assets increased \$174 million due to capital asset additions including the Convention Center expansion, Community Center Theater Renovation, River Park project, 3rd Street Relief Sewer project, and McKinley Park Combined Sewer System Storage project, offset by current year depreciation. More detailed capital asset information is presented in Note 4 to the financial statements.

Long-term liabilities increased \$37 million primarily due to the issuance of \$28 million of bonds and an increase of \$71 million of the Drinking Water State Revolving Fund Note Payable, offset by refunding of \$25 million of bonds and \$43 million of principal payments on existing debt obligations and net amortization of bond discounts and premiums. More detailed information is presented in Note 7 to the financial statements.

Deferred inflows of resources increased \$6 million primarily due to a \$9 million increase in deferred inflows related to pensions. The increase in deferred inflows related to pensions was mainly driven by an increase in deferred inflows for net differences between projected and actual earnings. More detailed information about pension plans is presented in Note 8 to the financial statements.

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2021

City of Sacramento							
Changes in Net Position							
For the Fiscal Years Ended June 30, 2021 and 2020							
(in millions)							
	Governmental Activities		Business-type Activities		Total Primary Government		Total Percent Change
	2021	2020	2021	2020	2021	2020	
Revenues							
Program revenues:							
Charges for services	\$ 181	\$ 197	\$ 313	\$ 320	\$ 494	\$ 517	-4.4%
Operating grants and contributions	186	76	1	2	187	78	139.7%
Capital grants and contributions	142	160	18	33	160	193	-17.1%
General revenues:							
Property taxes	198	184	-	-	198	184	7.6%
Utility users tax	62	60	-	-	62	60	3.3%
Local sales taxes	117	104	-	-	117	104	12.5%
Other taxes	55	45	16	21	71	66	7.6%
Unrestricted:							
Sales taxes shared state revenue	99	91	-	-	99	91	8.8%
Investment earnings	5	19	-	17	5	36	-86.1%
Miscellaneous	12	16	-	-	12	16	-25.0%
Total revenues	<u>1,057</u>	<u>952</u>	<u>348</u>	<u>393</u>	<u>1,405</u>	<u>1,345</u>	4.5%
Expenses							
General government	260	153	-	-	260	153	69.9%
Police	234	234	-	-	234	234	0.0%
Fire	192	180	-	-	192	180	6.7%
Public works	116	125	-	-	116	125	-7.2%
Convention and cultural services	18	21	-	-	18	21	-14.3%
Youth, parks, community enrichment	57	66	-	-	57	66	-13.6%
Community development	71	74	-	-	71	74	-4.1%
Library	22	20	-	-	22	20	10.0%
Interest on long-term debt	21	24	-	-	21	24	-12.5%
Water	-	-	103	105	103	105	-1.9%
Wastewater	-	-	32	32	32	32	0.0%
Storm drainage	-	-	41	45	41	45	-8.9%
Solid waste	-	-	64	59	64	59	8.5%
Community center	-	-	25	31	25	31	-19.4%
Parking	-	-	12	14	12	14	-14.3%
Child development	-	-	3	6	3	6	-50.0%
Total expenses	<u>991</u>	<u>897</u>	<u>280</u>	<u>292</u>	<u>1,271</u>	<u>1,189</u>	6.9%
Revenue over (under) expenses	66	55	68	101	134	156	-14.1%
Transfers	19	35	(19)	(35)	-	-	-
Change in net position	85	90	49	66	134	156	-14.1%
Net position, beginning of year	1,045	955	1,165	1,107	2,210	2,062	7.2%
Prior period restatement	-	-	-	(8)	-	(8)	100.0%
Net position, end of year	<u>\$ 1,130</u>	<u>\$ 1,045</u>	<u>\$ 1,214</u>	<u>\$ 1,165</u>	<u>\$ 2,344</u>	<u>\$ 2,210</u>	6.1%

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2021

Analysis of the changes in net position

Total government-wide revenues of the primary government increased \$60 million, a 4.5 percent increase compared to the prior fiscal year, and total expenses increased \$82 million, a 6.9 percent increase compared to the prior fiscal year. These changes are discussed in more detail below.

Governmental activities

Total revenues for governmental activities increased \$105 million, a 11 percent increase compared to the prior fiscal year. Total expenses increased \$94 million, a 10.5 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.

Revenue

Charges for services revenue decreased by \$16 million during fiscal year 2021 compared to fiscal year 2020. \$8 million is related to a decrease in on-street parking meter revenues and related parking citations and penalties as the City observed decreased parking within the Downtown area due to the COVID-19 pandemic. Another \$2 million relates to the decrease in facility use fees and community service fees within youth, parks, and community enrichment due to COVID-19.

Operating grants and contributions revenue increased \$110 million primarily due to funding the City received for the CARES Act program, Sacramento Emergency Rental Assistance program, Whole Person Care program, and the Great Plates Delivery program.

Capital grants and contributions decreased by \$18 million during fiscal year 2021 compared to fiscal year 2020.

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

Sales taxes, net of increase in state shared sales tax revenue, increased \$21 million due to a rise in local spending.

The increase in revenue is offset by a net decrease of \$6 million in investment earnings, utility users tax, other taxes, and unrestricted miscellaneous revenues.

Expenses

Total governmental activities expenses increased \$94 million primarily due to increases in department functional expenses. General government expenses increased \$107 million related to costs for the City's response to COVID-19. Fire expenses increased \$12 million due to growing labor, overtime, OPEB, and pension cost. Library expenses increased \$2 million. These increases were offset by a \$9 million decrease in public works expense due to decreased non-capitalizable project costs and a \$9 million decrease in youth, parks, and community enrichment expense from facility closures due to COVID-19 restrictions. Additional decreases included \$3 million in convention cultural services, \$3 million in community development, and \$3 million in interest on long term debt.

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2021

Business-type activities

Total revenues for business-type activities decreased \$45 million, a 11.5 percent decrease compared to the prior fiscal year. Total expenses for business-type activities decreased \$12 million, a 4 percent decrease. 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.

Revenue

Charges for services decreased \$7 million primarily due to a decrease in parking fees received as a result of the economic shutdown.

Capital grants and contribution revenue decreased by \$15 million due to a \$7 million decrease in water, \$6 million decrease in wastewater, and \$2 million decrease in storm drainage resulting from decreased infrastructure dedications by developers.

Other tax revenue decreased \$5 million due to a decrease in TOT revenue caused by a decrease in hotel occupancy as a direct result of COVID-19.

Expenses

Water Fund expenses decreased \$2 million primarily due to a \$5 million decrease in labor and pension expenses. The decrease in pension expense is based on the current year adjustment to the City's actuarially determined Net Pension Liability and associated deferred inflows and outflows of resources. Additionally, there was a \$4 million increase in services and supplies mainly due to an increase in consulting fees and additional land and water right purchases for water transfers that occurred in fiscal year 2021.

Storm Drainage expenses decreased \$4 million due to a \$1 million decrease in labor and pension expenses and \$1 million decrease in services and supplies primarily due to less costs resulting from COVID-19 policies as well as a \$2 million decrease in loss on disposition of capital assets from prior year.

Community Center expenses decreased \$6 million primarily due to a combined \$3 million decrease in services and supplies expense and labor and pension expense. The decreases resulted from the closure of the Convention Center due to renovations as well as cancellations of various events due to COVID-19. There was also a reduction in funds provided for community support programs due to the uncertainty of revenues for the Community Center Fund with the ongoing pandemic. Also, in the prior year the Community Center recognized a loss of \$2 million related to disposal of capital assets. There was no gain or loss on disposal of capital assets in fiscal year 2021.

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 \$157 million compared to the prior fiscal year. Total expenditures increased \$153 million compared to the prior fiscal year. Net other financing sources decreased \$5 million compared to the prior fiscal year. These changes are discussed in more detail below.

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2021

General Fund

Total General Fund revenue increased \$20 million compared to the prior fiscal year. Tax revenues increased by \$32 million primarily due to an increase in property taxes associated with an increase in the assessed value of properties and the rapid growth in cannabis dispensary and distribution businesses. Intergovernmental revenue increased by \$4 million due to reimbursements the City received for the establishment of mobile COVID-19 testing throughout Sacramento County. These increases are offset by decreases in charges for services of \$6 million, fines, forfeits, and penalties of \$6 million, and interest, rents, and concessions of \$5 million. The decreases were driven by COVID-19, as the pandemic led to a loss in parking revenue due to the closure of non-essential businesses and reduction of vehicle traffic, rent reductions, and temporary easing of the financial burden of fines and penalties.

Total General Fund expenditures increased \$15 million compared to prior fiscal year. Expenditures in Police and Fire departments increased \$7 million in total, General Government increased \$5 million, capital outlay increased \$5 million, and library \$2 million. These increases are primarily due to labor, OPEB and pension cost increases, as well as funding for the Mental Health and Impact Team, dedicated mental health and homeless outreach units compassionate to the needs of the most vulnerable members of our community. Capital outlay increased \$5 million mainly due to the construction of the North Natomas Community Center and Aquatics Complex and expenditures for Fire Station #14 and fire apparatus.

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.

After accounting for these budget adjustments, General Fund revenues were \$22 million higher than final budgeted amounts. Collection of various taxes exceeded the budget by \$23 million primarily due to increases in property taxes and cannabis dispensary and business operation taxes. Intergovernmental revenue exceeded budget by \$6 million due to federal reimbursements for Fire Emergency Medical Services. These positive variances with final budget amounts are offset by charges for services coming in lower than final budgeted amounts by \$6 million due to loss in parking revenue as a result of COVID-19 and closure of non-essential services and large events.

General Fund budgetary expenditures were \$93 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 \$20 million due to the multi-year nature of capital projects. Unspent multi-year project budgets, as well as other unspent City Council approved program budgets, are carried over to the subsequent fiscal year.

Measure U Fund

Measure U Fund revenue and expenditures increased by \$12 million and \$2 million, respectively. Revenue increased due to retail sales growth. During the fiscal year the Measure U Fund transferred \$6 million to the Economic Development Special Revenue Fund to provide resources for the Wong Center Senior Housing project and Stockton Boulevard Housing Development project. Use of Measure U resources included police, fire, library, animal care, youth, parks, and community enrichment services.

2015 Golden 1 Center Lease Revenue Bond Fund

2015 Golden 1 Center Lease Revenue Bond Fund revenue and expenditures were consistent with the previous fiscal year. Both revenues and expenditures decreased by less than \$1 million. Transfers in increased by \$5 million due to a one-time transfer of \$5 million from the General Fund to increase the liquidity reserve for the 2015 Golden 1 Center Lease Revenue Bond Fund.

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2021

Operating Grants Fund

Operating Grants Fund revenue and expenditures increased by \$105 million and \$112 million, respectively. The increase in revenue is primarily due to a \$74 million increase in CARES Act revenue, \$20 million increase in Sacramento Emergency Rental Assistance Program, \$12 million increase in the Whole Person Care program, \$5 million increase for the Great Plates Delivery program, and \$3 million increase in Urban Search and Rescue program, offset partially by a \$8 million decrease in Homeless Emergency and Prevention program revenue. The increase in expenditures is primarily due to \$74 million in expenditures related to COVID-19 response, \$15 million related to the Sacramento Emergency Rental Assistance program, a \$14 million increase in expenditures for the Great Plates Delivery program, and \$9 million increase for the Whole Person Care program.

Other Governmental Funds

Other governmental fund revenues increased by \$20 million primarily due to an increase of \$22 million in revenues for capital projects funds. The increase in capital projects funds revenue is primarily due to the following:

- \$31 million increase in the Special Districts Fund due to the issuance of Greenbriar CFD 2018-03 Improvement Area No. 1, Special Tax Bonds, Series 2021.
- \$6 million decrease in Transportation and Development Fund primarily due to a decrease in reimbursement revenues as the Intermodal Transport Facility is near completion and the old Measure A program winds down. There was also a decrease in commercial excise tax during the fiscal year.

Other governmental fund expenditures increased by \$24 million primarily due to an increase of \$25 million in expenditures for capital projects funds. The increase in capital projects funds expenditures is primarily due to the following:

- \$9 million increase in the Financing Plans Fund primarily due to increases in expenditures for parks and community development and the redemption of North Natomas and Railyards financing plan fee credits.
- \$21 million increase in the Special Districts Fund primarily due to acquisition and construction costs for Greenbriar CFD 2018-03 Improvement Area No. 1.
- \$7 million decrease in the Capital Grants Fund primarily due to decreased project costs for the Rio Linda and Main Bridge, Highway Safety Improvement Program, I Street Bridge Replacement, Federal Downtown Controller, Railyards Green Street Urban Grant, and Meadowview Navigation Center.

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 decreased \$6 million and operating expenses decreased \$6 million compared to the prior fiscal year. Net nonoperating expenses increased \$18 million and capital contributions decreased \$11 million compared to the prior fiscal year. These changes are discussed in more detail below.

Water Fund

Water Fund operating revenues increased \$2 million primarily due to an increase of \$4 million in water sales from groundwater transfers in fiscal year 2021 that did not occur in the prior year. There was also a decrease of \$2 million in utility service charges, resulting in an overall increase of \$2 million. Operating expenses decreased \$1 million primarily due to \$5 million decrease in pension expense that fluctuates due to a variety of actuarial factors and an increase of \$4 million in services and supplies related to management consulting and land and water rights for water transfers. Net nonoperating expenses increased \$3 million primarily due to a decrease in interest and investment revenue and an increase in interest expense during fiscal year 2021. Capital contributions decreased \$5 million primarily due to a decrease of \$2 million from water development impact fees and \$3 million associated with South Sacramento Water Meter Retrofit and Fairbairn Water Treatment Plant Filter Improvements.

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2021

Wastewater Fund

Wastewater net nonoperating expenses decreased \$2 million primarily due to a decrease in interest and investment revenue as a result of a less favorable return on investment in fiscal year 2021 compared to prior year. Capital contributions decreased \$5 million. Additionally, there was an increase of \$2 million in wastewater development impact fees.

Storm Drainage Fund

Storm Drainage Fund operating expenses decreased \$2 million primarily due to a decrease in pension expenses which is adjusted based on actuarially determined Net Pension Liability and associated deferred inflows and outflows of resources. Net nonoperating expenses decreased by \$1 million in the current year due to a loss of \$2 million on the disposition of capital assets in the prior year and a decrease in interest and investment revenue of \$1 million in the current year.

Solid Waste Fund

Solid Waste Fund operating revenues increased \$6 million primarily due to an increase in service accounts and a rate adjustment of 7.47 percent in fiscal year 2021. Operating expenses increased \$5 million primarily due to the budgeted addition of new vehicles and higher costs associated with green waste disposal, household hazardous materials disposal, and residential collections. These costs are expected to continue to rise due to more stringent state and federal regulations.

Community Center Fund

Community Center Fund operating revenues decreased \$2 million and operating expenses decreased by \$4 million. Operations were heavily impacted by the temporary closure of the Convention Center Complex for renovations and cancellations of various events due to COVID-19. Net nonoperating revenue decreased by \$13 million primarily due to a decrease in interest and investment revenue of \$9 million and TOT revenue of \$6 million. The decrease in interest and investment revenue is due to a combination of decreases in the fair value of Pool A investment holdings from the prior year, overall Pool A investment rate of return, and average cash balance throughout the year as bond proceeds were spent down. The decrease in TOT revenue is a result of decreased hotel stays and travel due to the ongoing pandemic.

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)

For the Fiscal Year Ended June 30, 2021

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2021, the City had invested \$3.7 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, net of deletions, of \$338 million were offset by current year depreciation expense of \$130 million, resulting in a net increase in capital assets of \$208 million.

City of Sacramento
Capital Assets
As of June 30, 2021 and 2020
(net of depreciation, in millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Capital assets not being depreciated						
Land	\$ 203	\$ 201	\$ 48	\$ 48	\$ 251	\$ 249
Easements	2	1	-	-	2	1
Construction in progress	224	164	665	551	889	715
Depreciable capital assets:						
Buildings and improvements	418	429	165	130	583	559
Equipment	15	17	24	24	39	41
Software	2	2	10	11	12	13
Vehicles	90	82	-	-	90	82
Transmission and distribution system	4	4	909	883	913	887
Road network	572	600	-	-	572	600
Streetlight network	169	164	-	-	169	164
Parks and park improvements	142	143	-	-	142	143
Total capital assets	\$ 1,841	\$ 1,807	\$ 1,821	\$ 1,647	\$ 3,662	\$ 3,454

This year's major capital asset additions include:

- \$101 million for the Convention Center Expansion Project,
- \$40 million for the Community Center Theater Renovation Project,
- \$20 million for the North Natomas Community Center and Aquatics Center Construction Project,
- \$18 million for the River Park Water Meter Replacement Project,
- \$14 million for the Greenbriar Area 1 Project,
- \$10 million for the 3rd St Relief Sewer Project,
- \$9 million for the McKinley Park Combined Sewer System Storage Project,
- Other capital project additions in progress including the Broadway/Alhambra Navigation Center Project, Fire Station #14 Project, Street Seals Project, Meadowview Road Complete Street Project, and Rio Linda and Main Bridge Project. Many other capital projects were completed during the year and transferred from construction in progress to the appropriate capital asset categories.

The City has \$128 million in commitments for contracts awarded but not completed as of June 30, 2021. The major contracts outstanding are \$13 million for renovation of the Convention Center Complex; \$10 million for renovation of the Community Center Theater; \$7 million for the development of River Park, Oak Park and North 12th St.; \$7 million for North Natomas Aquatic Center construction; \$4 million for the McKinley Park Combined Sewer System Storage project to reduce area flooding; \$4 million for the construction of Fire Station #14; \$3 million for residential water meter installations, pipeline replacements and retrofit projects; and \$17 million for the purchase of vehicles, primarily for the replacement refuse trucks and garbage trucks.

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, 2021

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, 2021 and 2020						
(in millions)						
	Governmental		Business-Type		Total Primary	
	Activities		Activities		Government	
	2021	2020	2021	2020	2021	2020
Revenue and other bonds, net	\$ 475	\$ 494	\$ 822	\$ 859	\$ 1,297	\$ 1,353
Notes payable	17	17	124	57	141	74
Capital lease obligations	-	-	-	1	-	1
Total outstanding debt	\$ 492	\$ 511	\$ 946	\$ 917	\$ 1,438	\$ 1,428

Total outstanding debt for governmental activities decreased \$19 million due to principal payments on existing obligations and net amortization of bond premiums.

Total outstanding debt for business-type activities increased \$29 million mainly due to the issuance of the Wastewater Refunding Revenue Bonds, Series 2020 at par of \$28 million and the addition of \$71 million to the Drinking Water State Revolving Fund Note. These increases were offset partially by \$43 million in principal payments on existing obligations and net amortization of bond discounts and premiums and refunding of \$25 million of the outstanding Wastewater Revenue Bonds, Series 2013.

Final principal payments for the 1993 Refunded Revenue Bonds, Series A and B were made in November 2020. The final payments totaled \$5 million from governmental activities and \$10 million from business-type activities.

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, 2021, as determined by S&P Global Ratings (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>
• 2006 Capital Improvement Revenue Bonds, Series B	AA-	Aa3	nr
• 2006 Capital Improvement Revenue Bonds, Series E	AA-	Aa3	nr
• 2013 Water Revenue Bonds	AA	nr	AA-
• 2013 Wastewater Revenue Bonds	AA	nr	AA
• 2015 Refunding Revenue Bonds	AA-/AA	Aa3	nr
• 2015 Lease Revenue Bonds (Golden 1 Center)	AA-	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
• 2019 STID Assessment Revenue Bonds	nr	A2	nr
• 2020 Water Revenue Refunding Bonds	AA	nr	AA-
• 2020 Wastewater Revenue Refunding Bonds	AA	nr	AA

City of Sacramento
Management's Discussion and Analysis (Continued)
(Required Supplementary Information - Unaudited)
For the Fiscal Year Ended June 30, 2021

The City's issuer credit rating as of June 30, 2021, is AA with a stable outlook from S&P, Aa2 with a stable outlook from Moody's, and AA- with a stable outlook from Fitch. The issuer credit rating is an assessment of the City's creditworthiness and capacity to meet financial commitments as they come due without regard to the terms of a specific debt instrument. The ratings and stable outlook determination are based on a multitude of factors for each of the rating agencies. Highlights include: the City's strong budgetary flexibility, with small surpluses projected over the next few years; the City's continued growth despite a pandemic-driven slowdown in the regional economy; and the City's adequate expenditure control, moderate long-term liabilities, and strong reserves relative to the City's moderate revenue volatility.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Economic Factors

The full impact of the COVID-19 pandemic has continued to create economic uncertainty for the foreseeable future. With restrictions loosening and an increase in vaccination rates, the City remains cautiously optimistic about an impending economic recovery. However, in this transition to post-pandemic life, the City still faces significant financial challenges. Housing demand remains higher than supply in the region as Bay Area residents continue to look for cheaper housing alternatives. Homelessness and the need to increase services, shelter capacity, and housing is one of the biggest issues the City faces.

As of June 30, 2021, the City allocated and spent its entire \$89 million of CARES Act funding. In fiscal year 2021, the City received its first installment of ARPA funding for \$56 million to further assist the City's economic recovery. The second installment is expected in May 2022.

Next Year's Budget

General Fund budget appropriations for fiscal year 2022 are \$562.3 million, an increase of 5 percent compared to the fiscal year 2021 approved budget. In addition to the allocation of resources for several priority initiatives, the approved budget appropriations include a contribution to the City's Economic Uncertainty Reserve.

City Council adopted a balanced budget for fiscal year 2022 based on strategic use of one-time, fiscal year 2022 department savings, and available fund balance.

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>.

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Government-wide Financial Statements

City of Sacramento
Statement of Net Position
June 30, 2021
(in thousands)

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 837,956	\$ 365,564	\$ 1,203,520
Receivables, net	304,097	61,908	366,005
Internal balances	5,244	(5,244)	-
Inventories	-	1,228	1,228
Prepaid items	13,818	266	14,084
Restricted cash and investments	35,322	150,612	185,934
Intangible assets	-	120	120
Land and other capital assets not being depreciated	428,868	713,213	1,142,081
Other capital assets, net of depreciation	1,411,671	1,107,946	2,519,617
Total assets	3,036,976	2,395,613	5,432,589
DEFERRED OUTFLOWS OF RESOURCES			
Loss on refunding of debt	2,637	10,543	13,180
Deferred outflows related to pensions	187,270	16,295	203,565
Deferred outflows related to OPEB	20,354	2,823	23,177
Total deferred outflows of resources	210,261	29,661	239,922
LIABILITIES			
Payables	76,900	47,596	124,496
Unearned revenue	63,013	3,848	66,861
Long-term liabilities:			
Due within one year	49,642	30,215	79,857
Due in more than one year	1,786,916	1,101,634	2,888,550
Total liabilities	1,976,471	1,183,293	3,159,764
DEFERRED INFLOWS OF RESOURCES			
Service concession arrangement	7,203	-	7,203
Gain on refunding of debt	-	403	403
Deferred inflows related to pensions	39,588	12,027	51,615
Deferred inflows related to OPEB	94,231	15,411	109,642
Total deferred inflows of resources	141,022	27,841	168,863
NET POSITION			
Net investment in capital assets	1,360,966	1,167,408	2,528,374
Restricted for:			
Capital projects	214,188	43,253	257,441
Debt service	401	-	401
Public works programs	29,598	-	29,598
Economic development programs	49,537	-	49,537
Other programs	61,142	2,200	63,342
Trust and endowments:			
Expendable	9,934	-	9,934
Nonexpendable	878	-	878
Unrestricted	(596,900)	1,279	(595,621)
Total net position	\$ 1,129,744	\$ 1,214,140	\$ 2,343,884

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, 2021
(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	\$ 278,871	\$ (19,342)	\$ 28,247	\$ 151,867	\$ 159	\$ (79,256)
Police	233,883	-	10,468	5,568	-	(217,847)
Fire	191,814	-	46,867	2,538	-	(142,409)
Public works	115,565	-	43,245	15,154	62,681	5,515
Convention and cultural services	18,398	-	8,823	274	22	(9,279)
Youth, parks, and community enrichment	57,345	-	8,952	1,086	13,272	(34,035)
Community development	71,473	-	34,287	708	65,626	29,148
Library	22,173	-	-	8,446	-	(13,727)
Interest on long-term debt	20,635	-	-	-	-	(20,635)
Total governmental activities	1,010,157	(19,342)	180,889	185,641	141,760	(482,525)
Business-type activities:						
Water	94,688	7,850	144,070	185	6,836	48,553
Wastewater	29,903	2,533	43,829	5	6,548	17,946
Storm drainage	38,710	2,232	40,848	123	5,061	5,090
Solid waste	60,165	3,895	73,465	175	-	9,580
Community center	23,749	1,508	196	-	-	(25,061)
Parking	10,130	1,324	10,403	-	-	(1,051)
Child development	3,422	-	552	13	-	(2,857)
Total business-type activities	260,767	19,342	313,363	501	18,445	52,200
Total primary government	\$ 1,270,924	\$ -	\$ 494,252	\$ 186,142	\$ 160,205	\$ (430,325)

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, 2021

(in thousands)

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Changes in net position:			
Net (expense) revenue	\$ (482,525)	\$ 52,200	\$ (430,325)
General revenues:			
Taxes:			
Property taxes	198,380	-	198,380
Utility user taxes	62,164	-	62,164
Local sales tax	116,845	-	116,845
Property transfer tax	15,570	-	15,570
Business operations tax	33,922	-	33,922
Transient occupancy tax	3,101	15,545	18,646
Other taxes	2,370	-	2,370
Unrestricted sales taxes shared state revenue	99,325	-	99,325
Unrestricted investment earnings	4,618	5	4,623
Unrestricted miscellaneous	12,064	-	12,064
Gain on sale of capital asset	-	27	27
Transfers	18,647	(18,647)	-
Total general revenues and transfers	567,006	(3,070)	563,936
Changes in net position	84,481	49,130	133,611
Net position, beginning of year	1,045,263	1,172,792	2,218,055
Restatement	-	(7,782)	(7,782)
Net position, beginning of year, as restated	1,045,263	1,165,010	2,210,273
Net position, end of year	\$ 1,129,744	\$ 1,214,140	\$ 2,343,884

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, 2021
(in thousands)

	General Fund	Measure U Fund	2015 Golden 1 Center Lease Revenue Bond Fund
ASSETS			
Cash and investments held by City	\$ 224,398	\$ 50,823	\$ 9,333
Cash and investments held by fiscal agent	-	-	303
Receivables, net:			
Taxes	31,956	22,654	-
Accounts	27,412	-	832
Loans	1,931	-	136,935
Intergovernmental	2,354	-	-
Interest	627	141	24
Prepaid items	1,084	-	-
Restricted assets:			
Cash and investments held by City	-	-	-
Cash and investments held by fiscal agent	-	-	18,379
Total assets	\$ 289,762	\$ 73,618	\$ 165,806
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 17,832	\$ 2,480	\$ -
Accrued payroll	21,059	-	-
Accrued claims and judgments	92	-	-
Due to other funds	-	-	-
Deposits	25	-	-
Unearned revenue	479	-	-
Advances from other funds	1,931	-	-
Total liabilities	41,418	2,480	-
Deferred inflows of resources:			
Unavailable revenue	8,351	-	136,935
Fund balances:			
Nonspendable:			
Prepaid items	1,084	-	-
Permanent fund principal	-	-	-
Restricted:			
Capital projects	-	-	-
Debt service	-	-	18,379
Public works programs	-	-	-
Economic development programs	-	-	-
Other programs	-	-	-
Committed:			
Economic uncertainty	58,499	449	-
Capital projects	57,417	22,656	-
Debt service	-	-	10,165
Fire programs	7,438	-	-
Housing trust fund	-	15,000	-
OPEB	6,828	-	-
Set-aside for FY22 Budget	5,500	-	-
Other programs	72,809	33,010	-
Assigned:			
Debt service	-	-	299
Unrealized investment gains	103	23	28
Other programs	-	-	-
Unassigned	30,315	-	-
Total fund balances	239,993	71,138	28,871
Total liabilities, deferred inflows of resources and fund balances	\$ 289,762	\$ 73,618	\$ 165,806

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

City of Sacramento
Governmental Funds
Balance Sheet

June 30, 2021
(in thousands)

	Operating Grants Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and investments held by City	\$ 73,154	\$ 346,437	\$ 704,145
Cash and investments held by fiscal agent		53	356
Receivables, net:			
Taxes	-	5,632	60,242
Accounts	626	10,408	39,278
Loans	-	950	139,816
Intergovernmental	25,533	27,994	55,881
Interest	156	299	1,247
Prepaid items	8,782	1	9,867
Restricted assets:			
Cash and investments held by City	-	12,760	12,760
Cash and investments held by fiscal agent	-	4,183	22,562
Total assets	\$ 108,251	\$ 408,717	\$ 1,046,154
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 10,218	\$ 13,891	\$ 44,421
Accrued payroll	-	39	21,098
Accrued claims and judgments	-	-	92
Due to other funds	-	3,455	3,455
Deposits	135	2,234	2,394
Unearned revenue	56,342	5,934	62,755
Advances from other funds	-	6,424	8,355
Total liabilities	66,695	31,977	142,570
Deferred inflows of resources:			
Unavailable revenue	20,459	27,520	193,265
Fund balances:			
Nonspendable:			
Prepaid items	8,782	1	9,867
Permanent fund principal	-	578	578
Restricted:			
Capital projects	-	230,323	230,323
Debt service	-	4,343	22,722
Public works programs	-	21,141	21,141
Economic development programs	-	49,537	49,537
Other programs	32,693	27,824	60,517
Committed:			
Economic uncertainty	-	-	58,948
Capital projects	-	867	80,940
Debt service	-	1,992	12,157
Fire programs	-	-	7,438
Housing trust fund	-	-	15,000
OPEB	-	-	6,828
Set-aside for FY22 Budget	-	-	5,500
Other programs	-	22,662	128,481
Assigned:			
Debt service	-	1,971	2,270
Unrealized investment gains	-	-	154
Other programs	-	63	63
Unassigned	(20,378)	(12,082)	(2,145)
Total fund balances	21,097	349,220	710,319
Total liabilities, deferred inflows of resources and fund balances	\$ 108,251	\$ 408,717	\$ 1,046,154

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, 2021
(in thousands)

Fund balances - total governmental funds \$ 710,319

Amounts reported for governmental activities in the statement of net position are different because:

Revenue and other resources not available to liquidate liabilities of the current period are not recognized in the funds. 193,265

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. 205

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds:

Governmental capital assets	3,444,326	
Less: accumulated depreciation	<u>(1,693,155)</u>	1,751,171

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 (5,153)

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	185,461	
Deferred outflows related to OPEB	19,978	
Deferred inflows related to pensions	(39,583)	
Deferred inflows related to OPEB	(92,231)	
Loss on refunding of debt	<u>2,637</u>	76,262

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	(42,414)	
Accrued claims and judgments	(3,733)	
Financing plan fee credits	(37,626)	
Net pension liability	(936,885)	
Net OPEB liability	(197,809)	
Pollution remediation obligations	(573)	
Revenue and other bonds payable, net	(474,866)	
Capital lease obligations payable	(199)	
Notes payable	<u>(16,909)</u>	(1,711,014)

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.

114,689

Net position of governmental activities \$ 1,129,744

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, 2021
(in thousands)

	General Fund	Measure U Fund	2015 Golden 1 Center Lease Revenue Bond Fund
Revenues:			
Taxes	\$ 403,390	\$ 116,845	\$ -
Intergovernmental	20,193	-	-
Charges for services	99,212	-	-
Fines, forfeits, and penalties	7,284	-	-
Interest, rents, and concessions	887	250	1,334
Community service fees	-	-	-
Assessment levies	588	-	-
Contributions and donations	30	-	-
Miscellaneous	1,250	-	-
Total revenues	532,834	117,095	1,334
Expenditures:			
Current:			
General government	60,257	6,746	-
Police	162,136	42,931	-
Fire	143,358	21,652	-
Public works	13,249	940	-
Convention and cultural services	5,462	1,171	-
Youth, parks, and community enrichment	21,538	11,026	-
Community development	34,623	504	-
Library	12,266	506	-
Utilities	3,670	-	-
Citywide and community support	51,632	-	-
Capital outlay	22,592	8,783	-
Debt service:			
Principal	-	-	3,810
Interest and fiscal charges	-	-	10,042
Total expenditures	530,783	94,259	13,852
Excess (deficiency) of revenues over (under) expenditures	2,051	22,836	(12,518)
Other financing sources (uses):			
Transfers in	55,636	-	12,700
Transfers out	(43,133)	(5,704)	-
Issuance of long-term debt	-	-	-
Total other financing sources (uses)	12,503	(5,704)	12,700
Changes in fund balances	14,554	17,132	182
Fund balances, beginning of year	225,439	54,006	28,689
Fund balances, end of year	\$ 239,993	\$ 71,138	\$ 28,871

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, 2021
(in thousands)

	Operating Grants Fund	Other Governmental Funds	Total Governmental Funds
Revenues:			
Taxes	\$ -	\$ 13,576	\$ 533,811
Intergovernmental	147,794	69,441	237,428
Charges for services	1,555	19,701	120,468
Fines, forfeits, and penalties	-	346	7,630
Interest, rents, and concessions	(7)	7,637	10,101
Community service fees	-	27,217	27,217
Assessment levies	-	51,412	52,000
Contributions and donations	5,238	47,609	52,877
Miscellaneous	-	-	1,250
Total revenues	154,580	236,939	1,042,782
Expenditures:			
Current:			
General government	139,716	15,872	222,591
Police	6,240	-	211,307
Fire	3,093	-	168,103
Public works	920	35,931	51,040
Convention and cultural services	152	5,630	12,415
Youth, parks, and community enrichment	373	8,941	41,878
Community development	393	32,884	68,404
Library	-	8,446	21,218
Utilities	-	212	3,882
Citywide and community support	-	-	51,632
Capital outlay	3,167	95,884	130,426
Debt service:			
Principal	-	22,418	26,228
Interest and fiscal charges	-	11,619	21,661
Total expenditures	154,054	237,837	1,030,785
Excess (deficiency) of revenues over (under) expenditures	526	(898)	11,997
Other financing sources (uses):			
Transfers in	5,044	33,234	106,614
Transfers out	(6,242)	(25,472)	(80,551)
Issuance of long-term debt	-	11,255	11,255
Total other financing sources (uses)	(1,198)	19,017	37,318
Changes in fund balances	(672)	18,119	49,315
Fund balances, beginning of year	21,769	331,101	661,004
Fund balances, end of year	\$ 21,097	\$ 349,220	\$ 710,319

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, 2021
(in thousands)

Changes in fund balances - total governmental funds	\$ 49,315
<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	92,659
Depreciation expense	<u>(72,869)</u>
	19,790
<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	11,920
<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	(11,255)
Principal repayments on long-term debt	<u>26,228</u>
	14,973
<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 increase in revenues - unavailable revenues at the end of the year were greater than beginning unavailable revenues by this amount.</p>	
	476
<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	(4,087)
Accrued claims and judgments	(253)
Pension expense	(40,296)
Other postemployment benefits	24,773
Pollution remediation	(34)
Interest	115
Amortization of prepaid bond insurance	(17)
Amortization of bond premium	1,147
Amortization of gain/loss on refunding	<u>(220)</u>
	(18,872)
<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>	
	(5,424)
<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>12,303</u>
Change in net position of governmental activities	<u>\$ 84,481</u>

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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, 2021

(in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget	Budget to GAAP Reconciliation	Actual
	Original	Final	Amounts - Budgetary Basis			Amounts - GAAP Basis
Revenues:						
Taxes	\$ 350,084	\$ 379,912	\$ 403,390	\$ 23,478	\$ -	\$ 403,390
Intergovernmental	11,044	14,393	20,193	5,800	-	20,193
Charges for services	103,085	105,076	99,212	(5,864)	-	99,212
Fines, forfeits and penalties	8,991	8,936	7,284	(1,652)	-	7,284
Interest, rents, and concessions	784	2,298	887	(1,411)	-	887
Assessment levies	74	74	588	514	-	588
Contributions and donations	-	3	30	27	-	30
Miscellaneous	510	318	1,250	932	-	1,250
Total revenues	474,572	511,010	532,834	21,824	-	532,834
Expenditures:						
Current:						
Mayor/Council	5,185	6,879	5,249	1,630	(118)	5,131
City Auditor	1,078	1,112	1,046	66	(2)	1,044
City Manager	25,390	62,682	18,529	44,153	(1,963)	16,566
City Attorney	9,714	11,483	8,939	2,544	(155)	8,784
City Clerk	2,095	2,028	1,668	360	-	1,668
City Treasurer	2,233	2,377	1,960	417	-	1,960
Finance	7,532	7,774	7,688	86	(293)	7,395
Information technology	15,067	15,567	14,226	1,341	(22)	14,204
Human resources	4,584	5,642	3,508	2,134	(3)	3,505
Subtotal - General government	72,878	115,544	62,813	52,731	(2,556)	60,257
Police	157,246	165,005	162,170	2,835	(34)	162,136
Fire	137,453	143,317	143,358	(41)	-	143,358
Public works	14,405	16,225	13,303	2,922	(54)	13,249
Convention and cultural services	6,446	6,914	5,715	1,199	(253)	5,462
Youth, parks, and community enrichment	25,653	24,182	21,701	2,481	(163)	21,538
Community development	40,432	42,507	34,936	7,571	(313)	34,623
Library	12,266	12,266	12,266	-	-	12,266
Utilities	797	3,992	3,670	322	-	3,670
Citywide and community support	79,027	54,991	51,914	3,077	(282)	51,632
Capital outlay	45,268	59,442	39,109	20,333	(16,517)	22,592
Total expenditures	591,871	644,385	550,955	93,430	(20,172)	530,783
Excess (deficiency) of revenues over (under) expenditures	(117,299)	(133,375)	(18,121)	115,254	20,172	2,051
Other financing sources (uses):						
Transfers in	55,218	55,005	55,636	631	-	55,636
Transfers out	(16,690)	(43,226)	(43,133)	93	-	(43,133)
Total other financing sources (uses)	38,528	11,779	12,503	724	-	12,503
Changes in fund balance	(78,771)	(121,596)	(5,618)	115,978	20,172	14,554
Fund balance, beginning of year	225,439	225,439	225,439	-	-	225,439
Fund balance, end of year	\$ 146,668	\$ 103,843	\$ 219,821	115,978	\$ 20,172	\$ 239,993

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, 2021

(in thousands)

	Budgeted Amounts		Actual Amounts - Budgetary Basis	Variance with Final Budget	Budget to GAAP Reconciliation	Actual Amounts - GAAP Basis
	Original	Final				
Revenues:						
Taxes	\$ 80,179	\$ 101,605	\$ 116,845	\$ 15,240	\$ -	\$ 116,845
Interest, rents, and concessions	-	-	250	250	-	250
Total revenues	80,179	101,605	117,095	15,490	-	117,095
Expenditures:						
Current:						
General government	8,243	16,237	8,465	7,772	(1,719)	6,746
Police	42,882	43,460	42,934	526	(3)	42,931
Fire	21,642	21,642	21,716	(74)	(64)	21,652
Public works	1,000	940	953	(13)	(13)	940
Convention and cultural services	-	1,171	1,171	-	-	1,171
Youth, parks, and community enrichment	14,492	14,713	11,210	3,503	(184)	11,026
Community development	1,235	916	530	386	(26)	504
Library	506	506	506	-	-	506
Capital outlay	17,669	29,460	10,486	18,974	(1,703)	8,783
Total expenditures	107,669	129,045	97,971	31,074	(3,712)	94,259
Excess (deficiency) of revenues over (under) expenditures	(27,490)	(27,440)	19,124	46,564	3,712	22,836
Other financing uses:						
Transfers out	-	(5,704)	(5,704)	-	-	(5,704)
Changes in fund balance	(27,490)	(33,144)	13,420	46,564	3,712	17,132
Fund balance, beginning of year	54,006	54,006	54,006	-	-	54,006
Fund balance, end of year	\$ 26,516	\$ 20,862	\$ 67,426	\$ 46,564	\$ 3,712	\$ 71,138

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, 2021
(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	\$ 164,345	\$ 50,344	\$ 47,396	\$ 49,726
Cash and investments held by fiscal agent	4	1	-	-
Receivables, net:				
Taxes	-	-	-	-
Accounts	23,798	13,478	6,646	10,140
Loans	-	-	46	-
Intergovernmental	333	293	1,471	-
Interest	655	198	141	140
Due from other funds	-	-	-	-
Inventories	772	47	409	-
Prepaid items	236	-	17	-
Intangible asset, current portion	-	-	-	-
Total current assets	190,143	64,361	56,126	60,006
Noncurrent assets:				
Restricted assets:				
Cash and investments held by City	71,081	21,080	3,240	789
Cash and investments held by fiscal agent	3,424	412	-	-
Advances to other funds	-	-	-	-
Loans receivable	-	-	969	-
Intangible assets	-	-	-	-
Capital assets:				
Land	1,754	1,138	17,885	1,133
Buildings and improvements	64,824	53,110	11,407	32,153
Machinery and equipment	29,409	5,423	17,687	12,437
Vehicles	-	-	-	-
Transmission and distribution system	858,547	201,214	431,693	-
Construction in progress	285,609	33,722	2,593	316
Software	3,491	3,447	3,747	2,772
Easements	134	-	157	-
Less: accumulated depreciation/amortization	(341,875)	(92,986)	(226,570)	(34,598)
Total noncurrent assets	976,398	226,560	262,808	15,002
Total assets	1,166,541	290,921	318,934	75,008
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Loss on refunding of debt	8,090	2,453	-	-
Deferred outflows related to pensions	7,565	1,752	1,603	2,832
Deferred outflows related to OPEB	896	307	437	662
Total deferred outflows of resources	16,551	4,512	2,040	3,494

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, 2021
(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	\$ 28,835	\$ 24,913	\$ 365,559	\$ 133,023
Cash and investments held by fiscal agent	-	-	5	432
Receivables, net:				
Taxes	2,677	-	2,677	-
Accounts	1	720	54,783	174
Loans	-	-	46	-
Intergovernmental	-	-	2,097	-
Interest	202	-	1,336	256
Due from other funds	-	-	-	3,705
Inventories	-	-	1,228	-
Prepaid items	-	13	266	3,746
Intangible asset, current portion	-	8	8	-
Total current assets	31,715	25,654	428,005	141,336
Noncurrent assets:				
Restricted assets:				
Cash and investments held by City	45,238	-	141,428	-
Cash and investments held by fiscal agent	5,348	-	9,184	-
Advances to other funds	-	-	-	13,349
Loans receivable	-	-	969	-
Intangible assets	-	112	112	-
Capital assets:				
Land	20,071	5,825	47,806	-
Buildings and improvements	113,040	63,442	337,976	7,454
Machinery and equipment	4,913	6,235	76,104	543
Vehicles	-	-	-	193,039
Transmission and distribution system	-	-	1,491,454	-
Construction in progress	338,345	4,531	665,116	81
Software	46	32	13,535	256
Easements	-	-	291	-
Less: accumulated depreciation/amortization	(71,234)	(43,860)	(811,123)	(112,005)
Total noncurrent assets	455,767	36,317	1,972,852	102,717
Total assets	487,482	61,971	2,400,857	244,053
DEFERRED OUTFLOWS OF RESOURCES				
Loss on refunding of debt	-	-	10,543	-
Deferred outflows related to pensions	1,159	1,384	16,295	1,809
Deferred outflows related to OPEB	295	226	2,823	376
Total deferred outflows of resources	1,454	1,610	29,661	2,185

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

(continued)

City of Sacramento
Proprietary Funds
Statement of Net Position

June 30, 2021
(in thousands)

	Business-type Activities - Enterprise Funds			
	Water Fund	Wastewater Fund	Storm Drainage Fund	Solid Waste Fund
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	6,398	15,945	2,012	1,410
Due to other funds	-	-	-	-
Accrued payroll	988	241	343	505
Accrued compensated absences	196	59	108	87
Interest payable	4,157	669	32	44
Liability for landfill closure	-	-	-	298
Deposits	6	-	502	3
Unearned revenue	2,881	-	-	-
Accrued claims and judgments	84	130	130	280
Revenue and other bonds payable, net	16,181	2,239	-	1,216
Notes payable	483	-	92	-
Total current liabilities	31,374	19,283	3,219	3,843
Noncurrent liabilities:				
Accrued compensated absences	3,254	822	1,181	1,450
Advances from other funds	-	-	-	-
Water fee credits	531	-	-	-
Wastewater fee credits	-	13,912	-	-
Net OPEB liability	12,072	4,568	5,366	16,262
Accrued claims and judgments	-	-	-	-
Liability for landfill closure	-	-	-	4,038
Revenue and other bonds payable, net	358,008	58,928	-	11,608
Notes payable	121,559	-	1,939	-
Net pension liability	41,073	13,007	28,031	15,699
Total noncurrent liabilities	536,497	91,237	36,517	49,057
Total liabilities	567,871	110,520	39,736	52,900
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Gain on refunding of debt	-	-	-	209
Deferred inflows related to pensions	3,416	1,102	1,877	4,775
Deferred inflows related to OPEB	5,122	1,602	2,308	4,593
Total deferred inflows of resources	8,538	2,704	4,185	9,577
<u>NET POSITION</u>				
Net investment in capital assets	606,947	184,906	256,568	1,369
Restricted for:				
Capital projects	43,253	-	-	-
Other programs	-	-	1,411	789
Unrestricted	(43,517)	(2,697)	19,074	13,867
Total net position	\$ 606,683	\$ 182,209	\$ 277,053	\$ 16,025

(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, 2021
(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	10,600	1,540	37,905	3,387
Due to other funds	250	-	250	-
Accrued payroll	110	218	2,405	348
Accrued compensated absences	41	30	521	68
Interest payable	1,297	42	6,241	2
Liability for landfill closure	-	-	298	-
Deposits	-	534	1,045	5
Unearned revenue	551	416	3,848	258
Accrued claims and judgments	5	6	635	24,329
Revenue and other bonds payable, net	7,409	1,141	28,186	5
Notes payable	-	-	575	-
Total current liabilities	20,263	3,927	81,909	28,402
Noncurrent liabilities:				
Accrued compensated absences	378	619	7,704	1,088
Advances from other funds	4,994	-	4,994	-
Water fee credits	-	-	531	-
Wastewater fee credits	-	-	13,912	-
Net OPEB liability	820	1,842	40,930	5,510
Accrued claims and judgments	-	-	-	78,124
Liability for landfill closure	-	-	4,038	-
Revenue and other bonds payable, net	354,667	11,000	794,211	411
Notes payable	-	-	123,498	-
Net pension liability	8,198	10,802	116,810	16,009
Total noncurrent liabilities	369,057	24,263	1,106,628	101,142
Total liabilities	389,320	28,190	1,188,537	129,544
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Gain on refunding of debt	-	194	403	-
Deferred inflows related to pensions	519	338	12,027	5
Deferred inflows related to OPEB	744	1,042	15,411	2,000
Total deferred inflows of resources	1,263	1,574	27,841	2,005
<u>NET POSITION</u>				
Net investment in capital assets	93,758	23,860	1,167,408	88,952
Restricted for:				
Capital projects	-	-	43,253	-
Other programs	-	-	2,200	-
Unrestricted	4,595	9,957	1,279	25,737
Total net position	\$ 98,353	\$ 33,817	\$ 1,214,140	\$ 114,689

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, 2021
(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	\$ 144,030	\$ 42,637	\$ 38,929	\$ 72,838
Rents and concessions	-	-	21	192
Charge to other agencies for contract services	-	1,192	1,898	-
Miscellaneous	40	-	-	435
Total operating revenues	<u>144,070</u>	<u>43,829</u>	<u>40,848</u>	<u>73,465</u>
Operating expenses:				
Employee services	39,345	10,941	13,604	15,713
Services and supplies	26,605	15,224	15,985	46,613
Depreciation/amortization	23,540	4,376	11,098	1,252
Insurance premiums	-	-	-	-
Claims and judgments	71	176	143	114
Total operating expenses	<u>89,561</u>	<u>30,717</u>	<u>40,830</u>	<u>63,692</u>
Operating income (loss)	<u>54,509</u>	<u>13,112</u>	<u>18</u>	<u>9,773</u>
Nonoperating revenues (expenses):				
Interest and investment revenue	259	318	123	43
Transient occupancy taxes	-	-	-	-
Revenue from other agencies	185	5	123	175
Insurance and other claim recoveries	-	-	-	-
Interest expense	(12,953)	(1,719)	(112)	(368)
Amortization of bond prepaid insurance	(24)	-	-	-
Gain on disposition of capital assets	-	22	4	-
Total nonoperating revenues (expenses)	<u>(12,533)</u>	<u>(1,374)</u>	<u>138</u>	<u>(150)</u>
Income (loss) before capital contributions and transfers	41,976	11,738	156	9,623
Capital contributions	9,340	6,848	7,681	-
Transfers in	78	63	118	1,570
Transfers out	(15,429)	(4,712)	(4,308)	(8,079)
Changes in net position	35,965	13,937	3,647	3,114
Total net position, beginning of year, as restated	<u>570,718</u>	<u>168,272</u>	<u>273,406</u>	<u>12,911</u>
Total net position, end of year	<u>\$ 606,683</u>	<u>\$ 182,209</u>	<u>\$ 277,053</u>	<u>\$ 16,025</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, 2021
(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	\$ -	\$ 10,562	\$ 308,996	\$ 103,264
Rents and concessions	196	353	762	-
Charge to other agencies for contract services	-	-	3,090	-
Miscellaneous	-	40	515	591
Total operating revenues	196	10,955	313,363	103,855
Operating expenses:				
Employee services	3,866	6,822	90,291	12,550
Services and supplies	5,200	6,197	115,824	29,922
Depreciation/amortization	1,488	1,465	43,219	13,637
Insurance premiums	-	-	-	9,177
Claims and judgments	-	-	504	25,875
Total operating expenses	10,554	14,484	249,838	91,161
Operating income (loss)	(10,358)	(3,529)	63,525	12,694
Nonoperating revenues (expenses):				
Interest and investment revenue	(968)	230	5	798
Transient occupancy taxes	15,545	-	15,545	-
Revenue from other agencies	-	13	501	20
Insurance and other claim recoveries	-	-	-	653
Interest expense	(14,703)	(392)	(30,247)	(16)
Amortization of bond prepaid insurance	-	-	(24)	-
Gain on disposition of capital assets	-	1	27	146
Total nonoperating revenues (expenses)	(126)	(148)	(14,193)	1,601
Income (loss) before capital contributions and transfers	(10,484)	(3,677)	49,332	14,295
Capital contributions	-	-	23,869	-
Transfers in	2,908	13,200	17,937	22
Transfers out	(763)	(8,717)	(42,008)	(2,014)
Changes in net position	(8,339)	806	49,130	12,303
Total net position, beginning of year, as restated	106,692	33,011	1,165,010	102,386
Total net position, end of year	\$ 98,353	\$ 33,817	\$ 1,214,140	\$ 114,689

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, 2021

(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	\$ 142,972	\$ 44,592	\$ 41,032	\$ 73,608
Receipts from interfund services provided	-	-	-	-
Payments to suppliers	(27,981)	(15,151)	(14,698)	(44,318)
Payments to employees	(40,136)	(11,478)	(14,500)	(17,972)
Claims and judgments paid	(80)	(143)	(127)	(159)
Net cash provided by (used for) operating activities	<u>74,775</u>	<u>17,820</u>	<u>11,707</u>	<u>11,159</u>
Cash flows from noncapital financing activities:				
Transient occupancy taxes	-	-	-	-
Transfers in from other funds	78	63	118	1,570
Transfers out to other funds	(14,907)	(4,667)	(4,308)	(7,970)
Collections on interfund loans	-	-	-	-
Loans made to other funds	-	-	-	-
Interfund loan repayments	-	-	-	-
Intergovernmental revenue received	409	5	123	50
Claim and judgement recoveries	-	-	-	-
Net cash provided by (used for) noncapital financing activities	<u>(14,420)</u>	<u>(4,599)</u>	<u>(4,067)</u>	<u>(6,350)</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(33,090)	(26,717)	(2,104)	(242)
Proceeds from sale of capital assets	-	22	4	-
Proceeds from issuance of debt	70,784	3	-	-
Principal payments on capital debt	(15,250)	(2,516)	(3,025)	(1,020)
Interest payments on capital debt	(13,970)	(1,842)	(141)	(558)
Transfers in from other funds	-	-	-	-
Transfers out to other funds	(522)	(45)	-	(109)
Capital contributions received	3,415	3,375	-	-
Loan repayments received	-	142	472	-
Net cash provided by (used for) capital and related financing activities	<u>11,367</u>	<u>(27,578)</u>	<u>(4,794)</u>	<u>(1,929)</u>
Cash flows from investing activities:				
Collection of interest and investment revenue	278	172	180	100
Net increase (decrease) in cash and cash equivalents	72,000	(14,185)	3,026	2,980
Cash and cash equivalents, beginning of year	<u>166,854</u>	<u>86,022</u>	<u>47,610</u>	<u>47,535</u>
Cash and cash equivalents, end of year	<u>\$ 238,854</u>	<u>\$ 71,837</u>	<u>\$ 50,636</u>	<u>\$ 50,515</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, 2021

(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	\$ 139	\$ 11,618	\$ 313,961	\$ -
Receipts from interfund services provided	-	-	-	176,784
Payments to suppliers	(3,817)	(6,765)	(112,730)	(113,545)
Payments to employees	(4,174)	(6,950)	(95,210)	(12,406)
Claims and judgments paid	(2)	(4)	(515)	(15,357)
Net cash provided by (used for) operating activities	(7,854)	(2,101)	105,506	35,476
Cash flows from noncapital financing activities:				
Transient occupancy taxes	14,085	-	14,085	-
Transfers in from other funds	2	13,200	15,031	-
Transfers out to other funds	(763)	(1,160)	(33,775)	(1,968)
Collections on interfund loans	-	-	-	3,569
Loans made to other funds	-	-	-	(3,455)
Interfund loan repayments	(250)	-	(250)	-
Intergovernmental revenue received	-	13	600	20
Claim and judgement recoveries	-	-	-	9,581
Net cash provided by (used for) noncapital financing activities	13,074	12,053	(4,309)	7,747
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(149,779)	(97)	(212,029)	(22,673)
Proceeds from sale of capital assets	-	1	27	602
Proceeds from issuance of debt	-	-	70,787	-
Principal payments on capital debt	(13,616)	(3,763)	(39,190)	-
Interest payments on capital debt	(15,993)	(589)	(33,093)	(22)
Transfers in from other funds	2,906	-	2,906	22
Transfers out to other funds	-	(7,557)	(8,233)	(46)
Capital contributions received	-	-	6,790	-
Loan repayments received	-	-	614	-
Net cash provided by (used for) capital and related financing activities	(176,482)	(12,005)	(211,421)	(22,117)
Cash flows from investing activities:				
Collection of interest and investment revenue	(195)	230	765	869
Net increase (decrease) in cash and cash equivalents	(171,457)	(1,823)	(109,459)	21,975
Cash and cash equivalents, beginning of year	250,878	26,736	625,635	111,480
Cash and cash equivalents, end of year	\$ 79,421	\$ 24,913	\$ 516,176	\$ 133,455

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, 2021

(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	\$ 164,345	\$ 50,344	\$ 47,396	\$ 49,726
Cash and investments held by fiscal agent	4	1	-	-
Restricted cash and investments held by City	71,081	21,080	3,240	789
Restricted cash and investments held by fiscal agent	3,424	412	-	-
Total cash and cash equivalents, end of year	<u>\$ 238,854</u>	<u>\$ 71,837</u>	<u>\$ 50,636</u>	<u>\$ 50,515</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 54,509	\$ 13,112	\$ 18	\$ 9,773
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation/amortization expense	23,251	4,116	10,820	1,056
Amortization of intangible assets	289	260	278	196
Changes in assets, liabilities, and deferred outflows and inflows of resources:				
Accounts receivable, net	(298)	763	124	143
Intergovernmental receivables	-	-	60	-
Inventories	163	4	(12)	-
Prepaid items	-	-	-	-
Accounts payable	(1,539)	69	812	12
Accrued payroll	(425)	(39)	(80)	(84)
Accrued compensated absences	38	179	66	94
Accrued claims and judgments	(9)	33	16	(45)
Liability for landfill closure	-	-	-	2,280
Deposits	(2)	-	487	3
Unearned revenue	(798)	-	-	-
Net pension liability and related deferred outflows/inflows of resources	713	(295)	(338)	(1,428)
Net OPEB liability and related deferred outflows/inflows of resources	(1,117)	(382)	(544)	(841)
Net cash provided by (used for) operating activities	<u>\$ 74,775</u>	<u>\$ 17,820</u>	<u>\$ 11,707</u>	<u>\$ 11,159</u>
Noncash investing, capital and financing activities:				
Contributions of capital assets	\$ 2,263	\$ 1,996	\$ 5,061	\$ -
Transfer of capital assets from governmental funds, net of depreciation	2,504	300	2,620	-
Amortization of bond premium and discount	2,374	340	(2)	160
Amortization of bond loss on refunding	(523)	(116)	-	-
Amortization of bond gain on refunding	191	-	-	-
Amortization of bond prepaid insurance	(24)	-	-	-
Decrease in prepaid items for capital assets	-	-	-	-
Capital asset acquisitions on accounts payable	3,550	3,886	511	36
Refunding bond proceeds deposited into escrow account	-	27,967	-	-
Defeasance of capital debt with bond proceeds in escrow	-	(27,967)	-	-

(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, 2021

(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	\$ 28,835	\$ 24,913	\$ 365,559	\$ 133,023
Cash and investments held by fiscal agent	-	-	5	432
Restricted cash and investments held by City	45,238	-	141,428	-
Restricted cash and investments held by fiscal agent	5,348	-	9,184	-
Total cash and cash equivalents, end of year	<u>\$ 79,421</u>	<u>\$ 24,913</u>	<u>\$ 516,176</u>	<u>\$ 133,455</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (10,358)	\$ (3,529)	\$ 63,525	\$ 12,694
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation/amortization expense	1,488	1,456	42,187	13,637
Amortization of intangible assets	-	9	1,032	-
Changes in assets, liabilities, and deferred outflows and inflows of resources:				
Accounts receivable, net	51	60	843	(31)
Intergovernmental receivables	-	-	60	-
Inventories	-	-	155	-
Prepaid items	-	1	1	(391)
Accounts payable	1,383	(569)	168	(1,026)
Accrued payroll	(46)	(92)	(766)	(78)
Accrued compensated absences	37	(3)	411	166
Accrued claims and judgments	(2)	(4)	(11)	10,518
Liability for landfill closure	-	-	2,280	-
Deposits	-	513	1,001	2
Unearned revenue	(108)	90	(816)	(71)
Net pension liability and related deferred outflows/inflows of resources	62	247	(1,039)	527
Net OPEB liability and related deferred outflows/inflows of resources	(361)	(280)	(3,525)	(471)
Net cash provided by (used for) operating activities	<u>\$ (7,854)</u>	<u>\$ (2,101)</u>	<u>\$ 105,506</u>	<u>\$ 35,476</u>
Noncash investing, capital and financing activities:				
Contributions of capital assets	\$ -	\$ -	\$ 9,320	\$ -
Transfer of capital assets from governmental funds, net of depreciation	-	-	5,424	-
Amortization of bond premium and discount	1,255	147	4,274	5
Amortization of bond loss on refunding	-	-	(639)	-
Amortization of bond gain on refunding	-	25	216	-
Amortization of bond prepaid insurance	-	-	(24)	-
Decrease in prepaid items for capital assets	-	-	-	812
Capital asset acquisitions on accounts payable	(3,749)	10	4,244	206
Refunding bond proceeds deposited into escrow account	-	-	27,967	-
Defeasance of capital debt with bond proceeds in escrow	-	-	(27,967)	-

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

City of Sacramento
Fiduciary Funds
Statement of Fiduciary Net Position

June 30, 2021
(in thousands)

	Pension Trust Fund	Private-Purpose Trust Fund	Custodial Funds
<u>ASSETS</u>			
Cash and investments held by City	\$ 13,416	\$ 11,490	\$ 305,775
Cash and investments held by fiscal agent	-	20,734	1,706
Prepaid items	-	173	-
Receivables, net:			
Interest	849	-	475
Intergovernmental	-	770	-
Special assessments	-	-	177
Investments, at fair value:			
Corporate bonds/notes	39,181	-	-
Equity securities	30,236	-	-
Exchange traded funds	187,545	-	-
Mortgage loans	824	-	-
Municipal bonds/notes	38,438	-	-
U.S. government obligations	1,004	-	-
U.S. Treasury bonds/notes	1,958	-	-
Restricted assets:			
Cash and investments held by City	-	-	3,771
Cash and investments held by fiscal agent	-	-	21,853
Loans receivable	-	4,815	-
Capital assets:			
Land	-	4,969	-
Buildings and improvements	-	141	-
Less: accumulated depreciation/amortization	-	(44)	-
Total assets	313,451	43,048	333,757
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Loss on refunding of debt	-	1,139	-
<u>LIABILITIES</u>			
Accounts payable	6	637	7
Benefits payable	2,312	-	-
Due to bondholders	-	-	41,553
Interest payable	-	282	-
Contracts payable	-	16,629	-
Pollution remediation obligations	-	-	-
Bonds payable	-	36,911	-
Notes payable	-	171,055	-
Total liabilities	2,318	225,514	41,560
<u>NET POSITION</u>			
Held in trust for:			
Net position restricted for pensions	311,133	-	-
Redevelopment dissolution	-	(181,327)	-
Held for external pool participants	-	-	292,197
Total net position (deficit)	\$ 311,133	\$ (181,327)	\$ 292,197

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

City of Sacramento
Fiduciary Funds
Statement of Changes in Fiduciary Net Position

For the Fiscal Year Ended June 30, 2021
(in thousands)

	Pension Trust Fund	Private-Purpose Trust Fund	Custodial Funds
Additions:			
Deposits	\$ -	\$ -	\$ 165,781
Property taxes	-	28,505	-
Special assessments	-	-	17,802
Fines, forfeits, and penalties	-	-	6
Capital contributions	-	-	12,186
Miscellaneous	-	-	9
Contributions:			
Employer	3,822	-	-
Employees	16	-	-
Total contributions	<u>3,838</u>	<u>-</u>	<u>-</u>
Investment income:			
From investment activities:			
Net appreciation (depreciation) in fair value of investments	67,367	-	(1,716)
Interest	3,238	290	2,781
Dividends	3,674	-	-
Total investment income	<u>74,279</u>	<u>290</u>	<u>1,065</u>
Investment expenses:			
Banking, interest, and fiscal agent expenses	26	-	274
Professional services	1,103	-	-
Total investment expenses	<u>1,129</u>	<u>-</u>	<u>274</u>
Net income from investment activities	<u>73,150</u>	<u>290</u>	<u>791</u>
Total additions	<u>76,988</u>	<u>28,795</u>	<u>196,575</u>
Deductions:			
Benefits	28,992	-	-
Withdrawals	-	-	65,774
Interest expense	-	10,603	-
Other enforceable obligation payments	-	4,967	-
Loan forgiveness	-	185	-
Paid to bondholders	-	-	27,980
Administrative expenses	-	-	2,177
Developer reimbursements	-	-	19
Depreciation expense	-	3	-
Total deductions	<u>28,992</u>	<u>15,758</u>	<u>95,950</u>
Changes in net position	47,996	13,037	100,625
Net position (deficit), beginning of year	<u>263,137</u>	<u>(194,364)</u>	<u>191,572</u>
Net position (deficit), end of year	<u>\$ 311,133</u>	<u>\$ (181,327)</u>	<u>\$ 292,197</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, 2021
(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 at <https://www.cityofsacramento.org/Finance/Accounting/Reporting>.

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 a County Oversight Board. The Oversight Board is comprised of seven members; two of which will be appointed by the Oversight Board: a Board member or County staff person, member of the public, member appointed by the city selection committee, representative from a special district as appointed by the independent special district selection committee, representative appointed by the County Board of Education, representative appointed by the Chancellor of the California Community Colleges, and a representative of the largest number of successor agency employees in the County appointed by the recognized employee organization. Based upon the nature of the Successor Agency's custodial role, it is reported as a fiduciary fund (private-purpose trust fund).

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, 2021
(dollar amounts expressed in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Accounting Standards Implemented During the Fiscal Year Ended June 30, 2021

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, 2019. The applicable provisions were implemented July 1, 2020, and only affected presentation of fiduciary activities. It did not have an impact on the City's net position. In previous years, fiduciary Investment Trust Funds and Assessment Districts and Community Facilities Districts Agency Funds were presented as separate columns in the Fiduciary Funds Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. Investment Trust Funds and Assessment Districts and Community Facilities Districts Agency Funds are now presented as combined Custodial Funds in the Fiduciary Funds Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. Combining financial statements for the Custodial Funds can be found on pages 199 and 200.

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 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, 2019. The applicable provisions were implemented July 1, 2020 and did not have a material impact to the financial statements.

GASB Statement No. 98 – In October 2021, GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*. This statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The provisions in Statement 98 are effective for fiscal years ending after December 15, 2021. The applicable provisions were implemented July 1, 2020 and did not have a material impact to the financial statements.

Upcoming Governmental Accounting Standards Implementation

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. 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 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 June 15, 2021. 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, 2021. 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, 2021
(dollar amounts expressed in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Upcoming Governmental Accounting Standards Implementation (Continued)

GASB Statement No. 92 – In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The provisions in Statement 92 are effective for fiscal years beginning after June 15, 2021. The City has not determined the effect of implementing this statement.

GASB Statement No. 93 – In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this statement is to address those and other accounting and financial reporting implications that result from the replacement of an interbank offered rate. The provisions in Statement 93 are effective for fiscal years beginning after June 15, 2021. The City has not determined the effect of implementing this statement.

GASB Statement No. 94 – In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements. The provisions in Statement 94 are effective for fiscal years beginning after June 15, 2022. The City has not determined the effect of implementing this statement.

GASB Statement No. 96 – In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. The provisions in Statement 96 are effective for fiscal years beginning after June 15, 2022. The City has not determined the effect of implementing this statement.

GASB Statement No. 97 – In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The provisions in Statement 97 are effective for fiscal years beginning after June 15, 2021. 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, 2021
(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 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 significantly 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. At the government-wide level, citywide and community support expenses/expenditures within the General Fund are allocated to City departments. Utilities expenditures within the General Fund is allocated to public works. 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 fund financial statements. 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 City.

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021
(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 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 one 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 construction costs of a multi-purpose entertainment and sports complex located in the downtown area of Sacramento.

The Operating Grants Fund accounts for federal, state, and other agency grants received for various specific purposes.

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.

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.

Custodial Funds account for assets held by the City as a custodian for individuals, private organizations, and other governments. The City's Custodial Funds include assets held by the City for bonded assessment and community facilities districts and Investment Trust Funds. 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.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(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.

Permanent funds, commonly referred to as endowment funds, are governmental funds used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support City programs. The City has received endowments for various programs, a list of which can be found in the Permanent Funds section of the Combining and Individual Fund Financial Statements and Schedules. The investments of donor-restricted endowments have \$6,102 of net appreciation that is available for authorization for expenditures by the governing board. The corpus of permanent funds is reported as Nonspendable Fund Balance and investment earnings available for expenditure are reported as Restricted Fund Balance in the fund level financial statements, and as Restricted for Nonexpendable Trust and Endowments in the Statement of Net Position. Funds are spent in accordance with legal trust agreements and the City budget, subject to State law governing the spending of endowment fund investment earnings in California Probate Code Section 18504.

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 \$250 without City Council approval. All other appropriation adjustments during the year require City Council approval. 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.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021

(dollar amounts expressed in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statements 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.

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 the County of 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 because the amounts will not be received within 60 days after fiscal year-end. 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. Inventories are expensed when consumed using the first-in, first-out (FIFO) method.

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.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statements Elements (Continued)

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.

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 system	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
Streetlight network	Primarily 40 to 50 years
Park 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 of debt, deferred service concession arrangement revenue, 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, 2021
(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 incurring qualified expenditures).

Long-term Obligations - In the government-wide and proprietary and fiduciary 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. 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, 2021
(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 can report a positive unassigned fund balance amount.

The City's Economic Uncertainty Reserve (Reserve) is a stabilization arrangement in the General Fund and Measure U Fund reported as committed fund balance. 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 Employees' Retirement System (SCERS) Plans and additions to/deductions from the Plans' 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 Postemployment 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 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, 2021
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS

The following is a summary of cash and investments at June 30, 2021:

	Government-wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Total
Cash and investments	\$ 1,203,520	\$ 652,307	\$ 1,855,827
Restricted cash and investments	185,934	25,624	211,558
Total	\$ 1,389,454	\$ 677,931	\$ 2,067,385

Under the authority of the Sacramento City Charter, the Sacramento City Council, by Resolution 2020-0236, 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 July 28, 2020. 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 (AIFM) Board pursuant to an investment policy adopted by the Board and approved by the City Council by Resolution 2020-0237. Investment standards adopted by the SCERS Board were last approved by the City Council on July 28, 2020. 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 2021, 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, 2021
(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
Commercial 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
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 the investments held by the SCERS pension trust fund. The SCERS AIFM Board was established by the City Charter to maintain and manage investments of this system, including but not limited to the adoption of investment standards and the administration and investment of the funds. The statutory authority for the SCERS AIFM Board is created in Sacramento City Charter Section 383. Allowable investments are governed by the SCERS investment policy and are different than those prescribed by the City’s investment policy.

The table above also does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City 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 its fair value is 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 and SCERS 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.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

Interest Rate Risk (Continued)

Information about the sensitivity of the fair values of the City’s and SCERS’ investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following tables that show the distribution of the investments by maturity. The remaining maturity of the City’s and SCERS’ investments included in the tables below are based on the stated maturity dates of the individual investments, except in the case of variable rate investments where the maturity date 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.

The City’s cash and investments by maturities as of June 30, 2021 are as follows:

Cash and Investment Type	No Maturity	Remaining Maturity in Years			Total
		Under 1	1-5	Over 5	
Bank deposits	\$ 81,886	\$ -	\$ -	\$ -	\$ 81,886
Commercial paper	-	59,980	-	-	59,980
Corporate bonds/notes	-	111,004	375,504	767	487,275
Equities	5,311	-	-	-	5,311
Exchange traded funds	2,670	-	-	-	2,670
Investment Trust of California (CalTRUST)	-	166,292	116,104	-	282,396
Local Agency Investment Fund (LAIF)	-	75,000	-	-	75,000
Municipal bonds/notes	-	19,763	85,671	-	105,434
Money market mutual funds	-	88,501	-	-	88,501
Negotiable certificates of deposit	-	71,122	65,527	-	136,649
Supranational securities	-	5,044	15,286	-	20,330
U.S. agency securities	-	32,940	356,471	-	389,411
U.S. Treasury notes	-	-	19,940	-	19,940
Total Cash and Investments	\$ 89,867	\$ 629,646	\$ 1,034,503	\$ 767	\$ 1,754,783

The \$767 of corporate bonds/notes with remaining maturities longer than five years are held by other trust funds. The \$5,311 of equities and \$2,670 of exchange traded funds are also held by other trust funds. Allowable investments of these other trust funds are not governed by the City’s investment policy. Investment discretion is given to the City Treasurer and funds are invested to meet objectives based on the agreements in place for these other trust funds.

SCERS’ cash and investments by maturities as of June 30, 2021 are as follows:

Cash and Investment Type	No Maturity	Remaining Maturity in Years			Total
		Under 1	1-5	Over 5	
City of Sacramento Investment Pool	\$ -	\$ 13,416	\$ -	\$ -	\$ 13,416
Corporate bonds/notes	-	-	1,034	38,147	39,181
Equities	30,236	-	-	-	30,236
Exchange traded funds	187,545	-	-	-	187,545
Mortgage loan	-	-	824	-	824
Municipal bonds/notes	-	-	-	38,438	38,438
U.S. agency securities	-	2	2	1,000	1,004
U.S. Treasury bonds	-	-	-	1,958	1,958
Total Cash and Investments	\$ 217,781	\$ 13,418	\$ 1,860	\$ 79,543	\$ 312,602

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

Interest Rate Risk (Continued)

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 by the City and SCERS at June 30, 2021, by investment type, are as follows:

<u>Investment Type</u>	<u>City</u>	<u>SCERS</u>
Corporate bonds/notes	\$ 104,089	\$ 15,304
Municipal bonds/notes	4,281	8,864
Negotiable certificates of deposit	21,484	-
Supranational securities	4,935	-
U.S. agency securities	372,765	478
	<u>\$ 507,554</u>	<u>\$ 24,646</u>

As of June 30, 2021, the City held notes issued by the Bank of Montreal that are not rated by S & P but are rated Aa2 by Moody's Investors Service. The notes have a fair value of \$7,027 as of June 30, 2021.

As of June 30, 2021, SCERS held a bond that is currently in default of the semi-annual interest payments. The bond issuer Lehman Brothers filed for Chapter 11 bankruptcy protection on September 15, 2008. The bond has a maturity date of December 29, 2099 and a fair value of \$18 as of June 30, 2021.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(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 Standard & Poor's (S & P) credit ratings of the City and SCERS investments subject to credit risk as of June 30, 2021 are as follows:

Investment Type	S & P	City	SCERS
City of Sacramento Investment Pool	not rated	\$ -	\$ 13,416
Commercial paper	A	59,980	-
Corporate bonds/notes	A	340,780	7,734
	AA	98,972	5,365
	AAA	11,037	-
	BBB	29,459	26,064
	not rated	7,027	18
Investment Trust of California (CalTRUST)	not rated	282,396	-
Local Agency Investment Fund (LAIF)	not rated	75,000	-
Municipal bonds/notes	A	4,963	-
	AA	84,717	26,005
	AAA	6,749	-
	BBB	-	5,796
	not rated	9,005	6,637
Money market mutual funds	AAA	88,501	-
Negotiable certificates of deposit	A	107,793	-
	not rated	28,856	-
Supranational securities	AAA	20,330	-
U.S. agency securities	AA	371,773	478
	AAA	-	44
	not rated	17,638	-
	Total	\$ 1,644,976	\$ 91,557

\$27,022 of the \$29,459 in corporate bonds/notes rated BBB are investments that were purchased at the minimum A rating but were subsequently downgraded due to negative economic impact caused by the Coronavirus pandemic. The City's investment policy allows for holding assets purchased at the minimum rating that were subsequently downgraded. The other \$2,437 of corporate bonds/notes rated BBB are held by other trust funds.

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021
(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. As of June 30, 2021, the City held the following investment in an individual issuer exceeding 5% of total investments (other than U.S. Treasury securities, mutual funds, and external investment pools):

Federal Home Loan Bank	\$	158,986
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As of June 30, 2021, SCERS held the following investments in individual issuers exceeding 5% of total SCERS investments and net position (other than U.S. Treasury securities, mutual funds, and external investment pools):

iShares Russell 1000 Value ETF	\$	41,987
Technology Select Sector SPDR Fund (ETF)		22,926
iShares MSCI ACWI ETF		17,828

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City or SCERS 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. All SCERS cash and cash equivalents are held with the City of Sacramento Investment Pool and SCERS is not exposed to 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, the City or SCERS 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 City investments are insured, registered or held by the Treasurer's custodial agent in the City's name. All SCERS investments registered or held with the custodial agent are in SCERS' name.

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

Fair Value Measurement and Application

The City and SCERS 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 and SCERS have 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 and SCERS' 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 and SCERS' 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 management. City and SCERS management consider 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 and SCERS 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. 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 per share. The total net asset value of these at June 30, 2021 was \$44,507 and \$43,994, 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 LAIF and CALTRUST for the City and the City of Sacramento Investment Pool for SCERS, 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.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

Fair Value Measurement and Application (Continued)

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 fair value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par.

The following is a description of the valuation methods and assumptions used by the City and SCERS 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 and SCERS' 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.
- SCERS holds one investment measured using Level 3 inputs, a Mortgage Loan. The Mortgage Loan is reported using the income approach. The value of the Mortgage Loan 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, 2021. 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 and SCERS management believe 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, 2021
(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, 2021:

	Balance at June 30, 2021	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)
Investments by Fair Value Level				
Commercial paper	\$ 59,980	\$ -	\$ 59,980	\$ -
Corporate bonds/notes	483,940	-	483,940	-
Equities	5,311	5,311	-	-
Exchange traded funds	2,670	2,670	-	-
Municipal bonds/notes	105,434	-	105,434	-
Negotiable certificates of deposit	121,703	-	121,703	-
Supranational securities	20,330	-	20,330	-
U.S. agency securities	375,790	-	375,790	-
U.S. Treasury notes	19,672	19,672	-	-
Total Investments by Fair Value Level	1,194,830	\$ 27,653	\$ 1,167,177	\$ -
Investments Measured at Net Asset Value				
Money market mutual funds	44,507			
Investments Uncategorized				
Investment Trust of California (CalTRUST)	282,396			
Local Agency Investment Fund (LAIF)	75,000			
Total Investments Uncategorized	357,396			
Total Investments Held by City	1,596,733			
Investments Held by Fiscal Agent by Fair Value Level				
Corporate bonds/notes	3,335	\$ -	\$ 3,335	\$ -
Negotiable certificates of deposit	14,946	-	14,946	-
U.S. agency securities	13,621	-	13,621	-
U.S. Treasury notes	268	268	-	-
Total Investments Held by Fiscal Agent by Fair Value Level	32,170	\$ 268	\$ 31,902	-
Investments Held by Fiscal Agent Measured at Net Asset Value				
Money market mutual funds	43,994			
Total Investments Held by Fiscal Agent	76,164			
Total Investments	1,672,897			
Total Bank Deposits	81,886			
Total Cash and Investments	\$ 1,754,783			

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

Fair Value Measurement and Application (Continued)

SCERS has the following recurring fair value measurements as of June 30, 2021:

	Balance at June 30, 2021	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)
Investments by Fair Value Level				
Corporate bonds/notes	\$ 39,181	\$ -	\$ 39,181	\$ -
Equities	30,236	30,236	-	-
Exchange traded funds	187,545	187,545	-	-
Mortgage loans	824	-	-	824
Municipal bonds/notes	38,438	-	38,438	-
U.S. agency securities	1,004	-	1,004	-
U.S. Treasury bonds	1,958	1,958	-	-
Total Investments by Fair Value Level	299,186	\$ 219,739	\$ 78,623	\$ 824
Investments at Fair Value not Subject to Fair Value Hierarchy				
City of Sacramento Investment Pool	13,416			
Total Cash and Investments	\$ 312,602			

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 8.08% of pool participation. The City Sponsored Investment Pool excludes activities of the pension trust fund, the Sacramento Housing and Redevelopment Agency (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.

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

City Sponsored Investment Pool (Continued)

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, 2021:

	Fair Value	Adjusted Cost	Interest Rates	Maturity Dates
Commercial paper	\$ 59,980	\$ 59,970	0.20-0.25%	07/21-12/21
Corporate bonds/notes	483,104	481,184	0.30-3.62%	07/21-06/26
Deposits	93,016	93,016	0.00-0.33%	N/A
Investment Trust of California (CalTRUST)	282,396	282,396	0.02-0.35%	N/A
Local Agency Investment Fund (LAIF)	75,000	75,000	2.60%	N/A
Municipal bonds/notes	105,434	103,877	0.37-6.09%	08/21-03/26
Money market mutual funds	44,507	44,507	0.01%	N/A
Negotiable certificates of deposit	121,703	121,500	0.15-2.40%	07/21-06/26
Supranational securities	20,330	20,456	0.37-1.62%	02/22-02/26
U.S. agency securities	375,790	378,688	0.20-2.01%	12/21-06/26
U.S. Treasury notes	19,672	19,771	0.37-0.50%	01/26-02/26
Total cash and investments in City sponsored investment pool and external individual investment accounts	<u>\$ 1,680,932</u>	<u>\$ 1,680,365</u>		

A summary of cash and investments as of June 30, 2021 is as follows:

	City Sponsored Investment Pool	External Individual Investment Accounts	Total
Statement of Net Position:			
Cash and investments at fair value	\$ 1,511,371	\$ 169,561	\$ 1,680,932
Interest receivables	3,086	226	3,312
Net Position	<u>\$ 1,514,457</u>	<u>\$ 169,787</u>	<u>\$ 1,684,244</u>
Equity of internal pool participants	\$ 1,392,047	\$ -	\$ 1,392,047
Equity of external pool participants	122,410	169,787	292,197
Total equity	<u>\$ 1,514,457</u>	<u>\$ 169,787</u>	<u>\$ 1,684,244</u>
Statement of Changes in Net Position:			
Net position at July 1, 2020	\$ 1,515,785	\$ 116,608	\$ 1,632,393
Net change in investments by pool participants	(1,328)	53,179	51,851
Net position at June 30, 2021	<u>\$ 1,514,457</u>	<u>\$ 169,787</u>	<u>\$ 1,684,244</u>

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 2 – CASH AND INVESTMENTS (Continued)

Participation in External Investment Pools

The City is a voluntary participant in the California Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Local Investment Advisory Board (Board). The Board consists of five members as designated by state statute. The balance available for withdrawal is based on the accounting records maintained by the LAIF, which are recorded on an amortized cost basis, which is different from the fair value of the City's position in the LAIF pool. As of June 30, 2021, the City's investment in LAIF is \$75,000. The total amount invested by all public agencies in LAIF at that date is \$37,066,593. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2021 had a balance of \$193,321,016. Of that amount, 97.69% is invested in non-derivative financial products, and 2.31% is invested in derivative financial products.

The City is also 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, 2021, the City's investment in CalTRUST is \$282,396, of which \$12,221 was invested in the Liquidity funds pool, \$106,885 in the Short-term pool, \$116,203 in the Medium-term pool, and \$47,087 in the BlackRock federal funds pool. Amounts that may be withdrawn from CalTRUST 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, 2021
(dollar amounts expressed in thousands)

NOTE 3 – RECEIVABLES

Receivables as of June 30, 2021, were as follows:

	Taxes	Accounts	Loans	Inter- govern- mental	Interest	Total
Governmental activities						
General Fund	\$ 31,956	\$ 27,412	\$ 1,931	\$ 2,354	\$ 627	\$ 64,280
Measure U Fund	22,654	-	-	-	141	22,795
2015 Golden 1 Center						
Lease Revenue Bond Fund	-	832	136,935	-	24	137,791
Operating Grants Fund	-	626	-	25,533	156	26,315
Other governmental funds	5,632	10,408	8,153	27,994	299	52,486
Internal service funds	-	174	-	-	256	430
	<u>\$ 60,242</u>	<u>\$ 39,452</u>	<u>\$ 147,019</u>	<u>\$ 55,881</u>	<u>\$ 1,503</u>	<u>\$ 304,097</u>
Amounts not scheduled for collection during the subsequent year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 136,028</u>	<u>\$ 11,804</u>	<u>\$ -</u>	<u>\$ 147,832</u>
Business-type activities						
Water Fund	\$ -	\$ 23,798	\$ -	\$ 333	\$ 655	\$ 24,786
Wastewater Fund	-	13,478	-	293	198	13,969
Storm Drainage Fund	-	6,646	1,015	1,471	141	9,273
Solid Waste Fund	-	10,140	-	-	140	10,280
Community Center Fund	2,677	1	-	-	202	2,880
Other enterprise funds	-	720	-	-	-	720
	<u>\$ 2,677</u>	<u>\$ 54,783</u>	<u>\$ 1,015</u>	<u>\$ 2,097</u>	<u>\$ 1,336</u>	<u>\$ 61,908</u>

Included in the Accounts Receivable amounts above are allowances for doubtful accounts of \$43,044 in governmental activities and \$1,747 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 \$7,203, reported with the associated deferred inflows of resources 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 was \$389,414 over 35 years. Total minimum lease payments have since gone up to \$397,990 over 35 years in accordance with the agreement's annual fee escalation tied to the Consumer Price Index. The present value of these minimum lease payments discounted at 5.674% is \$143,649 and the current loan receivable balance as of June 30, 2021 is \$136,935. 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, 2021
(dollar amounts expressed in thousands)

NOTE 4 – CAPITAL ASSETS

Summary

The following is a summary of capital assets as of June 30, 2021:

	Governmental Activities	Business- type Activities	Total
Capital assets not being depreciated/amortized			
Land	\$ 202,628	\$ 47,806	\$ 250,434
Easements	2,348	291	2,639
Construction in progress	223,892	665,116	889,008
Total capital assets not being depreciated/amortized	<u>428,868</u>	<u>713,213</u>	<u>1,142,081</u>
Depreciable/amortizable capital assets			
Buildings and improvements	708,379	337,976	1,046,355
Equipment	80,565	76,104	156,669
Software	6,413	13,535	19,948
Vehicles	195,817	-	195,817
Transmission and distribution system	4,777	1,491,454	1,496,231
Roadway network	1,713,981	-	1,713,981
Streetlight network	276,613	-	276,613
Parks and park improvements	230,286	-	230,286
Total depreciable/amortizable capital assets	<u>3,216,831</u>	<u>1,919,069</u>	<u>5,135,900</u>
Less accumulated depreciation/amortization for:			
Buildings and improvements	(290,089)	(173,197)	(463,286)
Equipment	(65,690)	(52,420)	(118,110)
Software	(4,627)	(3,853)	(8,480)
Vehicles	(106,324)	-	(106,324)
Transmission and distribution system	(1,184)	(581,653)	(582,837)
Roadway network	(1,141,544)	-	(1,141,544)
Streetlight network	(107,916)	-	(107,916)
Parks and park improvements	(87,786)	-	(87,786)
Total accumulated depreciation/amortization	<u>(1,805,160)</u>	<u>(811,123)</u>	<u>(2,616,283)</u>
Depreciable/amortizable capital assets, net	<u>1,411,671</u>	<u>1,107,946</u>	<u>2,519,617</u>
Total capital assets, net	<u>\$ 1,840,539</u>	<u>\$ 1,821,159</u>	<u>\$ 3,661,698</u>

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 4 – CAPITAL ASSETS (Continued)

Governmental Activities

Governmental capital asset activity for the fiscal year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Transfers In/Out	Ending Balance
Capital assets not being depreciated/amortized					
Land	\$ 201,237	\$ 1,391	\$ -	\$ -	\$ 202,628
Easements	928	1,420	-	-	2,348
Construction in progress	163,926	92,519	(32,553)	-	223,892
Total capital assets not being depreciated/amortized	<u>366,091</u>	<u>95,330</u>	<u>(32,553)</u>	<u>-</u>	<u>428,868</u>
Depreciable/amortizable capital assets					
Buildings and improvements	705,263	3,116	-	-	708,379
Equipment	80,154	411	-	-	80,565
Software	6,413	-	-	-	6,413
Vehicles	180,498	21,120	(5,801)	-	195,817
Transmission and distribution system	4,777	5,424	-	(5,424)	4,777
Roadway network	1,705,519	14,219	(5,757)	-	1,713,981
Streetlight network	265,211	11,402	-	-	276,613
Parks and park improvements	222,989	7,297	-	-	230,286
Total depreciable/amortizable capital assets	<u>3,170,824</u>	<u>62,989</u>	<u>(11,558)</u>	<u>(5,424)</u>	<u>3,216,831</u>
Less accumulated depreciation/amortization for:					
Buildings and improvements	(276,352)	(13,737)	-	-	(290,089)
Equipment	(63,129)	(2,561)	-	-	(65,690)
Software	(3,993)	(634)	-	-	(4,627)
Vehicles	(98,158)	(13,605)	5,439	-	(106,324)
Transmission and distribution system	(1,095)	(89)	-	-	(1,184)
Roadway network	(1,105,683)	(41,618)	5,757	-	(1,141,544)
Streetlight network	(101,499)	(6,417)	-	-	(107,916)
Parks and park improvements	(79,941)	(7,845)	-	-	(87,786)
Total accumulated depreciation/amortization	<u>(1,729,850)</u>	<u>(86,506)</u>	<u>11,196</u>	<u>-</u>	<u>(1,805,160)</u>
Depreciable/amortizable capital assets, net	<u>1,440,974</u>	<u>(23,517)</u>	<u>(362)</u>	<u>(5,424)</u>	<u>1,411,671</u>
Governmental activities capital assets, net	<u>\$ 1,807,065</u>	<u>\$ 71,813</u>	<u>\$ (32,915)</u>	<u>\$ (5,424)</u>	<u>\$ 1,840,539</u>

Depreciation/amortization expense was charged to functions as follows:

General government	\$ 5,272
Police	900
Fire	809
Public works	50,440
Convention and cultural services	4,212
Youth, parks, and community enrichment	10,121
Community development	160
Library	955
Capital assets held by the City's internal service funds are charged to the functions based on their usage of assets	<u>13,637</u>
Total governmental activities depreciation/amortization expense	<u>\$ 86,506</u>

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021
(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, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Transfers In/Out	Ending Balance
Capital assets not being depreciated/amortized					
Land	\$ 47,806	\$ -	\$ -	\$ -	\$ 47,806
Easements	291	-	-	-	291
Construction in progress	550,605	203,115	(88,604)	-	665,116
Total capital assets not being depreciated/amortized	598,702	203,115	(88,604)	-	713,213
Depreciable/amortizable capital assets					
Buildings and improvements	297,094	40,882	-	-	337,976
Equipment	74,126	1,978	-	-	76,104
Software	13,535	-	-	-	13,535
Transmission and distribution system	1,430,967	55,063	-	5,424	1,491,454
Total depreciable/amortizable capital assets	1,815,722	97,923	-	5,424	1,919,069
Less accumulated depreciation/amortization for:					
Buildings and improvements	(166,871)	(6,326)	-	-	(173,197)
Equipment	(50,205)	(2,215)	-	-	(52,420)
Software	(2,844)	(1,009)	-	-	(3,853)
Transmission and distribution system	(547,993)	(33,660)	-	-	(581,653)
Total accumulated depreciation/amortization	(767,913)	(43,210)	-	-	(811,123)
Depreciable/amortizable capital assets, net	1,047,809	54,713	-	5,424	1,107,946
Business-type activities capital assets, net	\$ 1,646,511	\$ 257,828	\$ (88,604)	\$ 5,424	\$ 1,821,159

Depreciation/amortization expense was charged to functions as follows:

Water	\$ 23,540
Wastewater	4,376
Storm drainage	11,098
Solid waste	1,252
Community center	1,488
Parking	1,386
Child development	70 ⁽¹⁾
Total business-type activities depreciation/amortization expense	\$ 43,210

(1) Varies \$9 from amount reported in Other Enterprise Funds Financials as it is related to the amortization of the Regency Park joint-use agreement.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 5 – PAYABLES

Payables as of June 30, 2021, were as follows:

	<u>Vendors</u>	<u>Employees</u>	<u>Interest</u>	<u>Deposits</u>	<u>Total</u>
Governmental activities					
General Fund	\$ 17,832	\$ 21,151	\$ -	\$ 25	\$ 39,008
Measure U Fund	2,480	-	-	-	2,480
2015 Golden 1 Center Lease					
Revenue Bond Fund	-	-	3,609	-	3,609
Operating Grants Fund	10,218	-	-	135	10,353
Other governmental funds	13,891	39	1,544	2,234	17,708
Internal service funds	3,387	348	2	5	3,742
Total governmental activities	<u>\$ 47,808</u>	<u>\$ 21,538</u>	<u>\$ 5,155</u>	<u>\$ 2,399</u>	<u>\$ 76,900</u>
Business-type activities					
Water Fund	\$ 6,398	\$ 988	\$ 4,157	\$ 6	\$ 11,549
Wastewater Fund	15,945	241	669	-	16,855
Storm Drainage Fund	2,012	343	32	502	2,889
Solid Waste Fund	1,410	505	44	3	1,962
Community Center Fund	10,600	110	1,297	-	12,007
Other enterprise funds	1,540	218	42	534	2,334
Total business-type activities	<u>\$ 37,905</u>	<u>\$ 2,405</u>	<u>\$ 6,241</u>	<u>\$ 1,045</u>	<u>\$ 47,596</u>

Included in the Interest Payable amount related to 2015 Golden 1 Center Lease Revenue Bond Fund above is the interest payable accrual of \$3,609, 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 \$1,544, 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, 2021
(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, 2021, were \$764.

Sublease rental income for the fiscal year ended June 30, 2021 was \$208. The total amount of minimum rentals to be received in the future under non-cancelable subleases is \$1,134.

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>
2022	\$ 756
2023	590
2024	382
2025	355
2026	358
2027-2031	1,557
2032-2036	1,579
2037-2041	1,414
2042-2046	1,254
2047-2051	1,277
2052-2056	803
Total future minimum lease payments	<u>\$ 10,325</u>

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021
(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, 2021. 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:					
2016 Lease Financing	\$ 7,030	\$ -	\$ (475)	\$ 6,555	\$ 490
Revenue and Other Bonds, Public Offerings:					
1993 Refunded Revenue Bonds, Series A	1,730	-	(1,730)	-	-
1993 Refunded Revenue Bonds, Series B	2,901	-	(2,901)	-	-
2006 Capital Improvement Revenue Bonds, Series B	41,865	-	(1,485)	40,380	1,575
2006 Capital Improvement Revenue Bonds, Series E	79,822	-	-	79,822	1,760
2015 Refunding Revenue Bonds	81,875	-	(7,485)	74,390	6,375
2015 Lease Revenue Bonds - Golden 1 Center	262,320	-	(3,810)	258,510	3,945
Subtotal, revenue and other bonds, public offerings	470,513	-	(17,411)	453,102	13,655
Direct Borrowing Notes Payable:					
1985 Marina Phase I	1,292	-	(58)	1,234	59
1985 Marina Phase II	2,034	-	(75)	1,959	79
2008 Sacramento Marina South Basin	13,589	127	-	13,716	69
Subtotal, direct borrowing notes payable	16,915	127	(133)	16,909	207
Direct Borrowing Capital Lease Obligations:					
Bank of America - Marina South Basin	325	-	(126)	199	132
Plus deferred amounts:					
For issuance premiums	16,777	-	(1,152)	15,625	1,141
Subtotal, debt governmental activities	511,560	127	(19,297)	492,390	15,625
Other Long-term Liabilities:					
Accrued claims and judgments	95,415	26,053	(15,282)	106,186	28,062
Compensated absences	39,317	41,047	(36,794)	43,570	2,833
Net OPEB liability	207,641	-	(4,322)	203,319	-
Net pension liability	920,262	170,854	(138,222)	952,894	-
Pollution remediation obligations	539	226	(192)	573	198
Financing plan fee credits:					
Jacinto Creek	795	183	-	978	23
North Natomas	31,905	1,418	(6,714)	26,609	2,564
Park Development	1,881	4	-	1,885	337
Railyards	-	9,393	(1,369)	8,024	-
Willowcreek	-	130	-	130	-
Subtotal, other long-term liabilities	1,297,755	249,308	(202,895)	1,344,168	34,017
Total governmental activities	\$ 1,809,315	\$ 249,435	\$ (222,192)	\$ 1,836,558	\$ 49,642

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Activity (Continued)

	Beginning Balance, As Restated	Additions	Reductions	Ending Balance	Due Within One Year
BUSINESS-TYPE ACTIVITIES:					
Revenue and Other Bonds, Public Offerings:					
1993 Refunded Revenue Bonds, Series A	\$ 7,145	\$ -	\$ (7,145)	\$ -	\$ -
1993 Refunded Revenue Bonds, Series B	3,169	-	(3,169)	-	-
2006 Capital Improvement Revenue Bonds, Series E	92,277	-	-	92,277	-
Water Revenue Bonds, Series 2013	25,355	-	(4,580)	20,775	4,815
Water Revenue Bonds, Series 2017	50,999	-	(869)	50,130	915
Water Revenue Refunding Bonds, Series 2020	188,390	-	(2,890)	185,500	2,015
Wastewater Revenue Bonds, Series 2013	27,820	-	(25,525)	2,295	725
Wastewater Revenue Bonds, Series 2019	25,960	-	-	25,960	840
Wastewater Revenue Refunding Bonds, Series 2020	-	27,970	(530)	27,440	335
2015 Refunding Revenue Bonds	37,599	-	(8,413)	29,186	8,760
2018 TOT Revenue Bonds, Senior Series A	195,815	-	-	195,815	-
2018 TOT Revenue Bonds, Senior Series B	20,610	-	(3,930)	16,680	4,070
2018 TOT Revenue Bonds, Subordinate Series C	66,890	-	(1,150)	65,740	1,200
2019 STID Assessment Revenue Bonds	50,465	-	(845)	49,620	880
Subtotal, revenue and other bonds, public offerings	<u>792,494</u>	<u>27,970</u>	<u>(59,046)</u>	<u>761,418</u>	<u>24,555</u>
Direct Borrowing Notes Payable:					
State Water Resources Control Board C06-4441-120	2,316	-	(2,316)	-	-
State Water Resources Control Board C06-4653-110	387	-	(387)	-	-
State Water Resources Control Board C06-4685-110	161	-	(161)	-	-
California Department of Public Health	6,818	-	(471)	6,347	483
California Infrastructure and Economic Development Bank (I-Bank)	2,120	-	(89)	2,031	92
Drinking Water State Revolving Fund	44,911	70,784	-	115,695	-
Subtotal, direct borrowing notes payable	<u>56,713</u>	<u>70,784</u>	<u>(3,424)</u>	<u>124,073</u>	<u>575</u>
Direct Borrowing Capital Lease Obligations:					
Parking Equipment - Schedule 19	413	-	(413)	-	-
Parking Equipment - Schedule 20	560	-	(560)	-	-
Subtotal, direct borrowing capital lease obligations	<u>973</u>	<u>-</u>	<u>(973)</u>	<u>-</u>	<u>-</u>
Less deferred amounts:					
For issuance discounts	(10)	-	10	-	-
For issuance premiums	66,407	-	(5,428)	60,979	3,631
Subtotal, deferred amounts	<u>66,397</u>	<u>-</u>	<u>(5,418)</u>	<u>60,979</u>	<u>3,631</u>
Subtotal, debt, business type activities	<u>916,577</u>	<u>98,754</u>	<u>(68,861)</u>	<u>946,470</u>	<u>28,761</u>
Other Long-term Liabilities:					
Compensated absences	7,814	8,240	(7,829)	8,225	521
Net OPEB liability	41,263	-	(333)	40,930	-
Net pension liability	126,679	20,156	(30,025)	116,810	-
Accrued claims and judgments	646	-	(11)	635	635
Water fee credits	214	362	(45)	531	-
Wastewater fee credits	14,558	-	(646)	13,912	-
Liability for landfill closure	2,056	2,280	-	4,336	298
Subtotal, other long-term liabilities	<u>193,230</u>	<u>31,038</u>	<u>(38,889)</u>	<u>185,379</u>	<u>1,454</u>
Total business-type activities	<u>1,109,807</u>	<u>129,792</u>	<u>(107,750)</u>	<u>1,131,849</u>	<u>30,215</u>
Total long-term liabilities	<u>\$ 2,919,122</u>	<u>\$ 379,227</u>	<u>\$ (329,942)</u>	<u>\$ 2,968,407</u>	<u>\$ 79,857</u>

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(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, 2021, including the amount of original debt issuance, a description of the debt issue, and disclosure of pledged revenue.

Revenue and Other Bonds

Issued Amount

- | | |
|-----------|---|
| \$55,235 | <p>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.</p> |
| \$186,950 | <p>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.</p> |
| \$215,195 | <p>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. In May 2020, the City issued 2020 Water Revenue Refunding Bonds to defease and refund \$166,405 of the outstanding 2013 Water Revenue Bonds. Remaining amount due in annual installments of \$5,717 to \$ 5,720 through fiscal year 2025, bearing interest rate of 5%. The debt service on the bonds is secured by the 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 \$22,876 as of June 30, 2021. Current year principal and interest paid was \$5,717 and water fee revenue was \$144,070.</p> |
| \$30,855 | <p>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. In July 2020, the City issued 2020 Wastewater Revenue Refunding Bonds to defease and refund \$24,835 of the outstanding 2013 Wastewater Revenue Bonds. Remaining amount due in annual installments of \$822 to \$ 825 through fiscal year 2024, bearing interest rate of 5%. 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 \$2,471 as of June 30, 2021. Current year principal and interest paid was \$822 and wastewater fee revenue was \$43,829.</p> |

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Revenue and Other Bonds (Continued)

Issued Amount

- \$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. 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 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 \$91,177 as of June 30, 2021. Current year principal and interest paid was \$3,378 and water fee revenue was \$144,070.
- \$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 \$372,700 as of June 30, 2021. Current year interest paid was \$9,791 and TOT revenue was \$15,545. Principal payments begin June 2025.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Revenue and Other Bonds (Continued)

Issued Amount

- | | |
|----------|---|
| \$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 \$18,249 as of June 30, 2021. Current year principal and interest paid was \$4,686 and TOT revenue was \$15,545. |
| \$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 \$121,216 as of June 30, 2021. Current year principal and interest paid was \$4,495 and TOT revenue was \$15,545. |
| \$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 \$40,212 as of June 30, 2021. Current year interest paid was \$1,298 and wastewater fee revenue was \$43,829. Principal payments begin September 2021. |
| \$50,465 | 2019 Sacramento Tourism Infrastructure District (STID) Assessment Revenue Bonds
Authorized July 2019, issued August 2019, due in annual installments of \$1,469 to \$2,744 through fiscal year 2050, bearing interest rates of 4% to 5%, for the purpose of financing an additional Ballroom in the Sacramento Convention Center and other capital improvement projects. The debt service on the bonds is secured by the pledge of, and payable solely from, STID revenues and trustee accounts held under the indenture. Total principal and interest remaining to be paid on the bonds is \$79,487 as of June 30, 2021. Current year principal and interest paid was \$2,740 and STID fee revenue was \$1,899. |

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Revenue and Other Bonds (Continued)

Issued Amount

- \$188,390 2020 Water Refunding Revenue Bonds
Authorized April 2020, issued May 2020, due in annual installments of \$6,976 to \$12,701 through fiscal year 2043, bearing interest rates of 1% to 3%. Net proceeds of \$188,390, together with City contribution of \$1,005 and bond reserve fund release of \$4,248, were utilized to establish an irrevocable escrow to defease \$166,405 principal amount of outstanding 2013 Water Revenue Bonds and pay cost of issuance. The refunded liabilities have been removed from the Water Fund and government-wide financial statements. The debt service on the bonds is secured by the 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 \$256,479 as of June 30, 2021. Current year principal and interest paid was \$6,980 and water fee revenue was \$144,070.
- \$27,970 2020 Wastewater Refunding Revenue Bonds
Authorized April 2020, issued July 2020, due in annual installments of \$925 to \$1,752 through fiscal year 2043, bearing interest rates of .5% to 2.5%. Net proceeds of \$27,970, together with City contribution of \$401 and bond reserve fund release of \$580, were utilized to establish an irrevocable escrow to defease \$24,835 principal amount of outstanding 2013 Wastewater Revenue Bonds and pay cost of issuance. The refunded liabilities have been removed from the Wastewater Fund and government-wide financial statements. The reacquisition price exceeded the net carrying value of the old debt by \$2,568. The 2020 Refunding reduced total debt service payments by \$4,766 and resulted in an economic gain of \$2,677. The debt service on the bonds is secured by the 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 \$35,986 as of June 30, 2021. Current year principal and interest paid was \$925 and wastewater fee revenue was \$43,829.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(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.
- \$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 was due in 30 annual installments of \$204 to \$662, through August 2041, bearing an interest rate of 4.6%. The City had made no principal payments and only a portion of interest payments on this loan since 2013, and had been working with the DB&W on a loan restructure. Effective August 2019, the DB&W and the City executed a formal agreement to restructure this loan. After restructuring, the maturity dates of previously matured principal and interest amounts have been extended and are no longer past due. The note still bears an interest rate of 4.6% and principal and interest are due in annual installments of \$500 to \$1,698, through August 2041. Secured by collateral of the Sacramento Marina.
- \$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. Current year water fee revenue was \$144,070.
- \$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 \$2,685. Current year principal and interest paid was \$161 and storm drainage fee revenue was \$40,848. 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 June 2022. The final reimbursement request deadline is December 2022. The note will be repaid over a 20-year period beginning July 2022, 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 \$144,070. The amount claimed and reimbursed by the City as of June 30, 2021 was \$115,695.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Capital Lease Obligations

The City entered into a long-term lease to finance the acquisition of building and improvements. The capital lease obligation is from a direct borrowing and is secured by collateral of the asset being financed: buildings and improvements located at the Sacramento Marina South Basin. The lease qualifies as a capital lease for accounting purposes as defined under GASB Statement No. 62 and has been recorded at the present value of the future minimum lease payments. The capital lease obligation falls under governmental activities and will be paid by the City's Culture and Leisure Fund. Minimum lease payments are as follows:

<u>Fiscal Year Ending June 30,</u>	
2022	\$ 139
2023	<u>69</u>
Total minimum lease payments	208
Less amounts representing interest	<u>(9)</u>
Net present value of minimum lease payments	<u>\$ 199</u>

Property under outstanding capital leases for governmental activities at June 30, 2021 is as follows:

Buildings and improvements	\$ 1,523
Less: accumulated depreciation	<u>(380)</u>
Total	<u>\$ 1,143</u>

The lease purchase agreement contains 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, 2021
(dollar amounts expressed in thousands)

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Other Long-term Liabilities

Accrued claims and judgments – 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 \$203,319 and \$40,930 for governmental activities and business-type activities, respectively, at June 30, 2021. The net liability is liquidated by the fund that has recorded the liability. Governmental activities net OPEB liability is liquidated primarily by the General Fund and business-type activities net OPEB liability is liquidated by the respective enterprise fund. 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.

Wastewater fee credits – Issued to developers as consideration for infrastructure constructed on behalf of the City. Credits are redeemable from or against future wastewater 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 \$952,894 and \$116,810 for governmental activities and business-type activities, respectively, at June 30, 2021. The net liability is liquidated by the fund that has recorded the liability. Governmental activities net pension liability is liquidated primarily by the General Fund and business-type activities net pension liability is liquidated by the respective enterprise fund. Refer to Note 8 for more detailed information.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(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, 2021.

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
2022	\$ 490	\$ 183	\$ 13,655	\$ 24,316
2023	505	169	14,959	23,652
2024	515	154	15,235	22,911
2025	535	140	15,971	22,079
2026	545	124	16,847	21,203
2027-2031	2,990	377	98,357	91,326
2032-2036	975	28	95,524	64,189
2037-2041	-	-	56,265	44,131
2042-2046	-	-	62,445	28,940
2047-2051	-	-	63,844	9,244
Subtotals	6,555	1,175	453,102	351,991
Plus: Issuance premiums	-	-	15,625	-
Totals	\$ 6,555	\$ 1,175	\$ 468,727	\$ 351,991

Fiscal Year Ending June 30,	Direct Borrowing Notes Payable	
	Principal	Interest
2022	\$ 207	\$ 775
2023	317	766
2024	431	751
2025	474	733
2026	547	710
2027-2031	3,213	3,148
2032-2036	4,156	2,335
2037-2041	5,941	1,257
2042-2046	1,623	75
Totals	\$ 16,909	\$ 10,550

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021
(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, Public Offerings		Direct Borrowing Notes Payable	
	Principal	Interest	Principal	Interest
2022	\$ 24,555	\$ 31,835	\$ 575	\$ 2,192
2023	25,006	30,783	5,499	2,114
2024	26,130	29,644	5,591	2,013
2025	27,309	28,460	5,692	1,911
2026	28,443	27,309	5,794	1,807
2027-2031	157,623	117,890	30,583	7,409
2032-2036	144,661	85,545	31,137	4,590
2037-2041	148,800	57,338	32,440	1,834
2042-2046	127,025	27,288	6,762	29
2047-2051	51,866	3,784	-	-
Subtotals	761,418	439,876	124,073	23,899
Plus: Issuance premiums	60,979	-	-	-
Totals	\$ 822,397	\$ 439,876	\$ 124,073	\$ 23,899

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, 2021.

Special Assessment Debt

Total matured and unmatured bonds outstanding related to special assessment and special tax districts are \$208,620 at June 30, 2021. 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 Custodial Funds.

Conduit Debt

Outstanding obligations related to special facility and redevelopment agency revenue bonds total \$169,565 at June 30, 2021. 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, 2021
(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, 2021, 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 (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources
Miscellaneous Plan	\$ 404,912	\$ 58,550	\$ -
Safety Plan	693,566	145,015	11,183
SCERS	(28,774)	-	40,432
Total	<u>\$ 1,069,704</u>	<u>\$ 203,565</u>	<u>\$ 51,615</u>

For the fiscal year ended June 30, 2021, the City recognized total pension expense of \$146,220 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 and 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 Safety and Miscellaneous Plans (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 or 52, depending on the plan, 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, 2021
(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, 2021, are summarized as follows:

	Miscellaneous	
	Classic	PEPRA
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date	January 1, 2013	January 1, 2013
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	6.82%	7.50%
Required employer contribution rates	23.03%	23.03%

	Safety	
	Classic	PEPRA
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date	January 1, 2013	January 1, 2013
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	9.61%	13.00%
Required employer contribution rates	50.45%	50.45%

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

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	2,886	1,304
Inactive employees entitled to but not yet receiving benefits	4,438	478
Active employees	2,669	1,263
Total	9,993	3,045

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 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, 2021, the contributions for the miscellaneous and safety plans were \$43,941 and \$66,915, respectively.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(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, 2020, using an annual actuarial valuation as of June 30, 2019, rolled forward to June 30, 2020. 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, 2019 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2019	June 30, 2019
Measurement Date	June 30, 2020	June 30, 2020
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	7.25% ⁽²⁾	7.25% ⁽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 underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2019 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, 2021
(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+ 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%
Fixed Income	28%	1.00%	2.62%
Inflation Assets	-	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, 2021
(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, 2020 are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
<u>Miscellaneous Plan:</u>			
Balance at June 30, 2020	\$ 1,407,757	\$ 1,031,177	\$ 376,580
Changes in the year:			
Service cost	30,236	-	30,236
Interest on the total pension liability	99,810	-	99,810
Difference between expected and actual experience	2,600	-	2,600
Contribution - employer	-	39,118	(39,118)
Contribution - employee	-	15,018	(15,018)
Net investment income	-	51,632	(51,632)
Benefit payments, including refunds of employee contributions	(59,069)	(59,069)	-
Administrative expense	-	(1,454)	1,454
Net changes	<u>73,577</u>	<u>45,245</u>	<u>28,332</u>
Balance at June 30, 2021	<u>\$ 1,481,334</u>	<u>\$ 1,076,422</u>	<u>\$ 404,912</u>
 <u>Safety Plan:</u>			
Balance at June 30, 2020	\$ 2,018,702	\$ 1,381,871	\$ 636,831
Changes in the year:			
Service cost	42,306	-	42,306
Interest on the total pension liability	143,878	-	143,878
Difference between expected and actual experience	20,246	-	20,246
Contribution - employer	-	58,584	(58,584)
Contribution - employee	-	23,832	(23,832)
Net investment income	-	69,226	(69,226)
Benefit payments, including refunds of employee contributions	(95,642)	(95,642)	-
Administrative expense	-	(1,947)	1,947
Net changes	<u>110,788</u>	<u>54,053</u>	<u>56,735</u>
Balance at June 30, 2021	<u>\$ 2,129,490</u>	<u>\$ 1,435,924</u>	<u>\$ 693,566</u>
Totals of both Miscellaneous and Safety Plans	<u>\$ 3,610,824</u>	<u>\$ 2,512,346</u>	<u>\$ 1,098,478</u>

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(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:

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
1% Decrease	6.15%	6.15%	6.15%
Net Pension Liability	\$ 612,125	\$ 992,057	\$ 1,604,182
Current Discount Rate	7.15%	7.15%	7.15%
Net Pension Liability	\$ 404,912	\$ 693,566	\$ 1,098,478
1% Increase	8.15%	8.15%	8.15%
Net Pension Liability	\$ 234,389	\$ 449,309	\$ 683,698

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 fiscal year ended June 30, 2021, the City recognized pension expense of \$55,957 and \$103,816 for the Miscellaneous and Safety Plans respectively. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Miscellaneous Plan</u>		<u>Safety Plan</u>		<u>Total</u>	
	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	\$ 43,941	\$ -	\$ 66,915	\$ -	\$ 110,856	\$ -
Changes of assumption	-	-	26,256	7,483	26,256	7,483
Differences between actual and expected experience	5,729	-	40,694	3,700	46,423	3,700
Net differences between projected and actual earnings on plan investments	8,880	-	11,150	-	20,030	-
Total	<u>\$ 58,550</u>	<u>\$ -</u>	<u>\$ 145,015</u>	<u>\$ 11,183</u>	<u>\$ 203,565</u>	<u>\$ 11,183</u>

The amount of \$110,856 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 fiscal year ended June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as increases in pension expense as follows:

Fiscal Year Ending June 30,	<u>Miscellaneous Plan</u>	<u>Safety Plan</u>	<u>Total</u>
2022	\$ 1,170	\$ 20,810	\$ 21,980
2023	3,704	17,261	20,965
2024	5,383	17,304	22,687
2025	4,352	11,145	15,497
2026	-	397	397
Total	<u>\$ 14,609</u>	<u>\$ 66,917</u>	<u>\$ 81,526</u>

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021
(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 at <https://www.cityofsacramento.org/Finance/Accounting/Reporting>. 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 reported 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, 2021
(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 as follows:

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, 2021, 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	784	41	43	868
Inactive members entitled to but not yet receiving benefits	4	-	1	5
Active plan members	3	-	-	3
Total plan members	791	41	44	876

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 2021. 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 SCERS plus the amount received from Social Security cannot be less than the member's benefit under SCERS 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 SCERS 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 fiscal year ended June 30, 2021, the average active employee contribution rate was 5.93% of annual pay, and the City's average contribution rate was 1.02% of annual payroll. For the fiscal year ended June 30, 2021, the contributions for the SCERS plan were \$3,822.

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
 (dollar amounts expressed in thousands)

NOTE 8 – PENSION PLANS (Continued)

Net Pension Liability (Asset)

The City’s net pension liability (asset) for SCERS was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial Assumption – The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%	
Salary increase	2.50%	CPI Plus 0.5% merit, average
Discount rate	6.00%	

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-2020. Mortality rates for disability retirements were based on CalPERS 1997-2015 Mortality Table for non-work related 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-2020.

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%	0.78%
Large Cap Growth	35.0%	3.87%
Equity Income	27.5%	4.29%
International	7.5%	4.67%
Total	100.0%	

An expected inflation of 2.5% used for this period.

Discount Rate – The discount rate used to measure the total pension liability was 6%. 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, 2021
(dollar amounts expressed in thousands)

NOTE 8 – PENSION PLANS (Continued)

Net Pension Liability (Asset) (Continued)

Changes in the Net Pension Liability (Asset) – The changes in the Net Pension Liability (Asset) for SCERS Plan for the measurement date of June 30, 2021 is as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2020	\$ 296,667	\$ 263,137	\$ 33,530
Changes in the year:			
Service cost	18	-	18
Interest	18,342	-	18,342
Change of assumptions	2,673	-	2,673
Differences between expected and actual experience	(6,349)	-	(6,349)
Contribution - employer	-	3,822	(3,822)
Contribution - employee	-	16	(16)
Net investment income	-	73,150	(73,150)
Benefit payments, including refunds of employee contributions	(28,992)	(28,992)	-
Net changes	(14,308)	47,996	(62,304)
Balance at June 30, 2021	\$ 282,359	\$ 311,133	\$ (28,774)

Change of assumptions and changes in experience affecting the measurement of the Total Pension Liability since the prior measurement date – The discount rate was changed from 6.5% to 6%, the inflation rate was changed from 2.75% to 2.5% and the mortality improvement was changed from fully generational projection with Society of Actuaries Scale MP-2019 to fully generational projection with Society of Actuaries Scale MP-2020. The overall experience gain was primarily due to more retiree and beneficiary deaths than expected and CPI being less than expected, leading to decreased cost of living increases.

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate – The following presents the net pension liability (asset) of the City for the SCERS plan, calculated using the discount rate for the SCERS Plan, as well as what the City’s net pension liability (asset) 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%)	Current Discount Rate (6%)	1% increase (7%)
SCERS net pension liability (asset)	\$ (6,446)	\$ (28,774)	\$ (48,279)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the Basic Financial Statements section of this report and the separately issued SCERS financial report that may be obtained at <https://www.cityofsacramento.org/Finance/Accounting/Reporting>.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 8 – PENSION PLANS (Continued)

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

For the fiscal year ended June 30, 2021, the City recognized pension expense of \$(13,553) attributable to the SCERS plans. At June 30, 2021, the City reported deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Inflows of Resources</u>
Net differences between projected and actual earnings on plan investments	<u>\$ 40,432</u>

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

<u>Fiscal Year Ending June 30,</u>	<u>Deferred Inflows of Resources</u>
2022	\$ 10,128
2023	9,533
2024	9,400
2025	11,371
Total	<u>\$ 40,432</u>

Defined Contribution Plan

The City also provides defined contribution retirement benefits through the 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 fiscal year ended June 30, 2021, employees contributed \$4,674 and the City contributed \$3,847 to the 401(a).

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

General Information

Plan Description – The City provides contributions for postemployment 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 (OPEB Plan) through CalPERS. The postemployment health, dental, and vision care employer contributions range from \$0 to \$856.00 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 postemployment health contributions has been eliminated for employees hired after a certain date dependent upon the employee’s labor agreement. The postemployment 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 postemployment Actuarially Determined 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, 2021
 (dollar amounts expressed in thousands)

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

General Information (Continued)

Employees Covered – At June 30, 2021, the most recent valuation date, the following current and former employees were covered by the benefit terms under the Plan:

Inactive employees or beneficiaries currently receiving benefits	2,286
Inactive employees entitled to but not yet receiving benefits	257
Active employees	3,434
Total	5,977

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 OPEB plan from the employer for the fiscal year ended June 30, 2021 were \$21,687.

Net OPEB Liability

Actuarial Assumptions – The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.75%
Inflation	2.75%
Salary Increases	3.0%
Investment Rate of Return	6.75%
Healthcare cost trend rate	Non-Medicare - 7.5% for 2020, decreasing to 4% for 2076 and later. Medicare - 6.5% for 2020, decreasing to 4% for 2076 and later.

Mortality assumptions were based on the results of the CalPERS 1997 to 2015 experience study dated December 2017 and SCERS June 30, 2019 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, 2021
(dollar amounts expressed in thousands)

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Net OPEB Liability (Continued)

Discount Rate – The discount rate used to measure the total OPEB liability was 6.75% for the OPEB 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 OPEB Plan’s contributions will be made at rates equal to the difference between actuarially determined contribution 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) is 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 geometric 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	59%	4.82%
Fixed Income	25%	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 net OPEB liability for the OPEB plan as of June 30, 2021 are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2020	\$ 292,174	\$ 43,270	\$ 248,904
Changes in the year:			
Service cost	5,809	-	5,809
Interest on the total OPEB liability	19,582	-	19,582
Changes of assumptions	(4,097)	-	(4,097)
Contribution - employer	-	24,598	(24,598)
Contribution - employee	-	310	(310)
Net investment income	-	1,064	(1,064)
Benefit payments, including refunds	(15,764)	(15,764)	-
Administrative expense	-	(23)	23
Net changes	5,530	10,185	(4,655)
Balance at June 30, 2021	\$ 297,704	\$ 53,455	\$ 244,249

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
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NOTE 9 – OTHER POSTEMPLOYMENT 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 (5.75%)	Current Rate (6.75%)	1% increase (7.75%)
Net OPEB liability	\$ 280,079	\$ 244,249	\$ 214,243

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	\$ 217,159	\$ 244,249	\$ 276,966

OPEB Plan Fiduciary Net Position – Detailed information about the 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 fiscal year ended June 30, 2021, the City recognized OPEB expense of \$(7,082). At June 30, 2021, 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	\$ 21,687	\$ -
Changes of assumption	-	90,032
Differences between actual and expected experience	-	19,610
Net differences between projected and actual earnings on plan investments	1,490	-
Total	<u>\$ 23,177</u>	<u>\$ 109,642</u>

City of Sacramento
Notes to the Basic Financial Statements
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(dollar amounts expressed in thousands)

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Net OPEB Liability (Continued)

The amount of \$21,687 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 during the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Deferred Inflows of Resources
2022	\$ (29,030)
2023	(28,888)
2024	(25,231)
2025	(20,300)
2026	(4,572)
Thereafter	(131)
Total	<u>\$ (108,152)</u>

NOTE 10 – FUND EQUITY AND EXCESS OF EXPENDITURES OVER APPROPRIATIONS

At June 30, 2021, the government-wide statement of net position reported restricted net position of \$365,678 in governmental activities. Of this amount, \$52,732 is restricted for enabling legislation.

The Capital Grants Fund, a capital project fund, had a deficit fund balance of \$5,139 as of June 30, 2021. The deficit represents grant expenditures unreimbursed by granting agencies within the 60-day period of availability for which corresponding revenues have not been recognized. 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 \$1,765 as of June 30, 2021. It is anticipated that this deficit will be funded by future operating subsidies.

For the fiscal year ended June 30, 2021, Measure U Fund expenditures for Fire Department and Public Works exceeded appropriations by \$74 and \$13 respectively. The overspending was funded by revenue collected in excess of budgeted amounts.

For the fiscal year ended June 30, 2021, Culture and Leisure Fund expenditures for convention and cultural services exceeded appropriations by \$270. The overspending was funded by revenue collected in excess of budgeted amounts.

For the fiscal year ended June 30, 2021, Special Districts Fund expenditures for general government exceeded appropriations by \$251. This overspending was funded by operating surpluses from previous years.

For the fiscal year ended June 30, 2021, CalEPA fund expenditures exceeded appropriations by \$2. The overspending was funded by revenue collected in excess of budgeted amounts.

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021
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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, 2021:

	Description	Transfers In	Transfers Out	Net Transfers
Governmental activities:				
General Fund	Debt service	\$ 1,471	\$ (21,509)	\$ (20,038)
General Fund	In-lieu tax transfers	33,662	-	33,662
General Fund	Program support	20,503	(21,624)	(1,121)
Measure U Fund	Program support	-	(5,704)	(5,704)
2015 Golden 1 Center				
Lease Revenue Bond Fund	Debt service	12,700	-	12,700
Operating Grants Fund	Program support	5,044	(6,242)	(1,198)
Other Governmental Funds	Debt service	17,455	(5,391)	12,064
Other Governmental Funds	Program support	15,779	(20,081)	(4,302)
Internal Service Funds	Debt service	22	(46)	(24)
Internal Service Funds	Program support	-	(1,968)	(1,968)
Adjustment for transfer of capital assets between governmental activities and business-type activities	Transfer of capital assets	-	(5,424)	(5,424)
Total governmental activities		<u>106,636</u>	<u>(87,989)</u>	<u>18,647</u>
Business-type activities:				
Water Fund	Debt service	-	(34)	(34)
Water Fund	In-lieu tax transfers	-	(14,907)	(14,907)
Water Fund	Program support	78	(488)	(410)
Wastewater Fund	Debt service	-	(46)	(46)
Wastewater Fund	In-lieu tax transfers	-	(4,666)	(4,666)
Wastewater Fund	Program support	63	-	63
Storm Drainage Fund	Debt service	67	(75)	(8)
Storm Drainage Fund	In-lieu tax transfers	-	(4,233)	(4,233)
Storm Drainage Fund	Program support	51	-	51
Solid Waste Fund	Debt service	-	(109)	(109)
Solid Waste Fund	In-lieu tax transfers	-	(7,970)	(7,970)
Solid Waste Fund	Program support	1,570	-	1,570
Community Center Fund	Debt service	2,907	-	2,907
Community Center Fund	In-lieu tax transfers	-	(726)	(726)
Community Center Fund	Program support	1	(37)	(36)
Other Enterprise Funds	Debt service	145	(7,557)	(7,412)
Other Enterprise Funds	In-lieu tax transfers	-	(1,160)	(1,160)
Other Enterprise Funds	Program support	13,055	-	13,055
Adjustment for transfer of capital assets between governmental activities and business-type activities	Transfer of capital assets	5,424	-	5,424
Total business-type activities		<u>23,361</u>	<u>(42,008)</u>	<u>(18,647)</u>
Total government-wide statements		<u>\$ 129,997</u>	<u>\$ (129,997)</u>	<u>\$ -</u>

City of Sacramento
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021
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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, 2021:

	Receivables	Payables	Interfund Balances
General Fund	\$ -	\$ (1,931)	\$ (1,931)
Other Governmental Funds	-	(9,879)	(9,879)
Internal Service Funds	17,054	-	17,054
Total governmental activities	<u>17,054</u>	<u>(11,810)</u>	<u>5,244</u>
Community Center Fund	-	(5,244)	(5,244)
Total business-type activities	<u>-</u>	<u>(5,244)</u>	<u>(5,244)</u>
Total	<u>\$ 17,054</u>	<u>\$ (17,054)</u>	<u>\$ -</u>

\$17,054 was loaned by the City's internal service funds to cover short-term operating deficits (approximately \$8,198) and to assist in development of community resources (approximately \$8,856). Included in the \$17,054 of interfund loans is \$11,418 that is not expected to be repaid within one year.

\$3,455 was borrowed by the Capital Grants Fund for short-term loans.

\$6,424 was borrowed by the Culture and Leisure Fund for the Haggin Oaks renovation project and operating deficit.

\$5,244 was borrowed by the Community Center Fund for operational requirements.

\$1,931 was borrowed by the General Fund for the acquisition of Habitat Conservation Plan mitigation lands by the Natomas Basin Conservancy.

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(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 Public Risk Innovation, Solutions, and Management (PRISM) member directed risk sharing pool and it provides statutory coverage over the City’s \$2,000 self-insured retention. The fund self-insures the first \$2,000 of liability claims plus claim costs that exceed excess coverage. PRISM provides \$35,000 in excess general and auto liability claims 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, 2021, 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, 2021, the Risk Management Internal Service Fund had a net position of \$18,657.

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:

	<u>2021</u>	<u>2020</u>
Accrued claims and judgments, July 1	\$ 91,911	\$ 85,493
Incurred claims and adjustment expenses	25,781	26,796
Claim payments	<u>(15,282)</u>	<u>(20,378)</u>
Accrued claims and judgments, June 30	<u>\$ 102,410</u>	<u>\$ 91,911</u>

City of Sacramento

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
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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; the Water Revenue Bonds, Series 2017 and the Water Revenue Refunding Bonds, Series 2020. Revenue of the Wastewater Enterprise Fund is pledged to the payment of principal and interest on the Wastewater Revenue Bonds, Series 2013; the Wastewater Revenue Bonds, Series 2019 and Wastewater Revenue Refunding Bonds, Series 2020. Revenue of the Storm Drainage Enterprise Fund is pledged to the payment of principal and interest on 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 the 2018 TOT Revenue Bonds, Senior Series A, B and Subordinate Series C. Revenue of the Sacramento Tourism Infrastructure District (STID) Fund is pledged to the payment of principal and interest on the 2019 Sacramento Tourism Infrastructure District (STID) Assessment Revenue Bonds. See Note 7 for more detailed information.

Construction and Other Commitments

The City has commitments of \$128,989 for contracts awarded but not completed as of June 30, 2021. The following table shows the distribution of those commitments among major and non-major funds.

Governmental Activities:		Business-type Activities:	
General Fund	\$ 23,140	Community Center Fund	\$ 25,300
Measure U Fund	3,712	Water Fund	17,845
Other governmental funds	18,456	Wastewater Fund	15,233
Internal service funds	20,521	Storm Drainage Fund	2,056
		Solid Waste Fund	1,763
		Other enterprise funds	963
Total governmental activities	<u>\$ 65,829</u>	Total business-type activities	<u>\$ 63,160</u>

The major contracts outstanding are \$13,350 for renovation of the Convention Center Complex; \$9,625 for renovation of the Community Center Theater; \$7,196 for the development of River Park, Oak Park and North 12th St.; \$6,995 for North Natomas Aquatic Center construction; \$4,311 for the McKinley Park Combined Sewer System Storage project to reduce area flooding; \$4,223 for the construction of Fire Station #14; \$2,719 for residential water meter installations, pipeline replacements and retrofit projects; and \$17,224 for the purchase of vehicles, primarily for the replacement refuse trucks and garbage trucks.

Contingent Liabilities

The City participates in various federal, state, and local grant programs, primarily including the Coronavirus Relief Fund and 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 fiscal year ended June 30, 2021 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, 2021. 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, 2021
(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 \$4,336 was required for future post closure monitoring costs as of June 30, 2021. The estimate was based on actual costs for the fiscal years ended June 30, 2018, 2019, and 2020, and may change due to inflation or deflation, technology, or applicable laws and regulations.

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 \$539 at June 30, 2020 and \$573 at June 30, 2021. Pollution remediation outlays totaled approximately \$150 for the fiscal year ended June 30, 2021. 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 \$70.

NOTE 14 – JOINT VENTURES AND JOINTLY GOVERNED ORGANIZATIONS

JOINT VENTURES

Aggie Square Public Financing Authority

The City is a participant with UC Davis and Wexford Science and Technology in the Aggie Square Public Financing Authority, formed in April 2021. As of June 30, 2021, the Aggie Square board is made up of three City appointed council members and two members of the public. Aggie Square is a project located at Stockton Boulevard and Second Avenue in Sacramento, mostly on property owned by UC Davis. It would expand the university's Sacramento campus, creating a state-of-the-art hub for research, innovation, and education. The proposed agreement between the City, UC Davis and Wexford Science & Technology includes inclusive economic development measures that reflect community priorities, including creation of an affordable housing fund prioritizing local residents for entry-level and higher-wage jobs and providing training pathways to those jobs; and improving biking, walking and transit access around the UC Davis Sacramento campus on Stockton Boulevard.

City of Sacramento
Notes to the Basic Financial Statements
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NOTE 14 – JOINT VENTURES AND JOINTLY GOVERNED ORGANIZATIONS (Continued)

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 statements 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.

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, 2021, 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 Library 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, 2021, were \$12,772. In addition, the City paid cost reimbursements and program support of \$18 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 \$8,446 for the fiscal year ended June 30, 2021. 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 the 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 \$4,250 of support to SRFECC during the fiscal year ended June 30, 2021. 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, 2021, the City provided \$395 of annual support to the NCRPSTA. Payments for rent and training during the fiscal year ended June 30, 2021 were \$6. Financial statements may be obtained from the NCRPSTA Administrative Offices, 2409 Dean Street, Suite 119, McClellan, California, 95652.

City of Sacramento
Notes to the Basic Financial Statements
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(dollar amounts expressed in thousands)

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

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, 2021, the City provided general support of \$45, paid \$143 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 and sought collaboration with the City of West Sacramento to identify the necessary steps to dissolve the Riverfront Joint Powers Authority. A motion was subsequently passed by the City, in August 2020, to dissolve the Riverfront Joint Powers Authority. As of June 30, 2021, the City is still in the process of moving forward with the dissolution with the City of West Sacramento.

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, 2021:

The City provided \$157 in annual support and \$11 in project/program expenses to the Regional Water Authority.

The City provided \$194 in annual support to the Sacramento Groundwater Authority.

The City provided \$149 in annual support and \$3 in program expenses to the Sacramento Area Council of Governments.

The City received \$356 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 \$51 in Workforce Investment Act grants from the Sacramento Employee and Training Agency.

City of Sacramento

Notes to the Basic Financial Statements

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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 entities as of February 1, 2012.

On January 31, 2012, the 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, 2021, the successor agency had a deficit of \$181,327 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, 2021
(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 the former Redevelopment Agency Successor Agency of the City of Sacramento (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 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 currently outstanding 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 of the City of Sacramento, 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, 2021, contracts payable of \$16,629 reported in the private-purpose trust fund are allocations of SHRA’s 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 fiscal year ended June 30, 2021:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated/amortized				
Land	\$ 4,969	\$ -	\$ -	\$ 4,969
Depreciable/amortizable capital assets				
Buildings and improvements	141	-	-	141
Less accumulated depreciation/amortization for:				
Buildings and improvements	(41)	(3)	-	(44)
Depreciable/amortizable capital assets, net	100	(3)	-	97
Total capital assets, net	<u>\$ 5,069</u>	<u>\$ (3)</u>	<u>\$ -</u>	<u>\$ 5,066</u>

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
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NOTE 15 – SUCCESSOR AGENCY TRUST FUND (Continued)

Long-term Debt

The following is a summary of changes in long-term debt for the fiscal year ended June 30, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds:					
2015 Tax Allocation Refunding Bonds TE, Series A	\$ 40,266	\$ -	\$ (3,355)	\$ 36,911	\$ 2,630
2015 Tax Allocation Refunding Bonds TX, Series B	16,941	-	(16,941)	-	-
Subtotal, revenue bonds	<u>57,207</u>	<u>-</u>	<u>(20,296)</u>	<u>36,911</u>	<u>2,630</u>
Notes Payable:					
2003 Del Paso TE TABS, Series A	6,136	193 ⁽¹⁾	(147)	6,182	770
2005 Merged Downtown TE, Series A	130,721	7,617 ⁽¹⁾	(577)	137,761	15,815
2005 Oak Park TE, Series A	3,850	213 ⁽¹⁾	(16)	4,047	1,150
2006 65th Street TX Master Lease, Series B	3,185	-	(115)	3,070	120
2006 North Sacramento TX Master Lease, Series B	3,715	-	(130)	3,585	140
2006 Stockton Blvd Master Lease	1,948	-	-	1,948	1
2008 BOA Public Capital Corporation	1,631	-	(169)	1,462	178
2009 Army Depot TX Swap	2,560	-	(91)	2,469	96
2009 River District TX Swap	2,395	-	(84)	2,311	89
City of Sacramento CIEDB - Utilities/Detention Basin	1,060	-	(45)	1,015	46
Globe Mills	2,708	-	(320)	2,388	340
North Sacramento CIEDB Loan	2,765	-	(137)	2,628	141
Stockton Blvd CIEDB Loan	2,305	-	(116)	2,189	119
Subtotal, notes payable	<u>164,979</u>	<u>8,023</u>	<u>(1,947)</u>	<u>171,055</u>	<u>19,005</u>
Total, long-term debt	<u>\$ 222,186</u>	<u>\$ 8,023</u>	<u>\$ (22,243)</u>	<u>\$ 207,966</u>	<u>\$ 21,635</u>

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

As of June 30, 2021, accumulated accretion for the 2003 Del Paso TE TABS, Series A, is \$3,776, and accumulated accretion for the 2005 Merged Downtown and Oak Park TE, Series A, is \$79,961.

City of Sacramento
Notes to the Basic Financial Statements
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(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
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	3,205	1,174	18,214	912
2026	1,320	1,061	20,607	826
2027 - 2031	7,735	4,281	90,017	2,959
2032 - 2036	12,885	1,510	40,638	1,234
2037 - 2038	510	10	1,215	38
Subtotal	33,715	12,414	227,305	9,172
Less: Unaccrued interest	-	-	(56,250)	-
Plus: Issuance premiums	3,196	-	-	-
Total	\$ 36,911	\$ 12,414	\$ 171,055	\$ 9,172

NOTE 16 – SERVICE CONCESSION ARRANGEMENT FOR CITY GOLF COURSES

Effective July 1, 2019, the City entered into a new 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 15-year lease period. The present value of the installment payments is initially estimated to be \$9,180. The City reports a loan receivable and deferred inflows of resources of \$7,203 in the government-wide statement of net position as of June 30, 2021

NOTE 17 – RESTATEMENT OF BEGINNING NET POSITION

For the fiscal year ended June 30, 2020, the City recognized \$7,782 of revenue in the Wastewater Grant Projects Fund related to fee credits that were not yet earned. This transaction has been reclassified to unearned revenue and will be recognized as revenue as the City issues permits to the developer. Beginning net position has been restated as follows:

	Net position, as of June 30, 2020, as originally reported	Restatement	Net position, as of July 1, 2020, as restated
Governmental activities	\$ 1,045,263	\$ -	\$ 1,045,263
Business-type activities	1,172,792	(7,782)	1,165,010
Total	\$ 2,218,055	\$ (7,782)	\$ 2,210,273

City of Sacramento
Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2021
(dollar amounts expressed in thousands)

NOTE 17 – RESTATEMENT OF BEGINNING NET POSITION (Continued)

Beginning net position of the proprietary funds has been restated as follows:

	Net position, as of June 30, 2020, as originally reported	Restatement	Net position, as of July 1, 2020, as restated
Water Fund	\$ 570,718	\$ -	\$ 570,718
Wastewater Fund	176,054	(7,782)	168,272
Storm Drainage Fund	273,406	-	273,406
Solid Waste Fund	12,911	-	12,911
Community Center Fund	106,692	-	106,692
Other enterprise funds	33,011	-	33,011
	<u>\$ 1,172,792</u>	<u>\$ (7,782)</u>	<u>\$ 1,165,010</u>
Total	<u>\$ 1,172,792</u>	<u>\$ (7,782)</u>	<u>\$ 1,165,010</u>

NOTE 18 – CORONAVIRUS DISEASE 2019 (COVID-19)

The impact of COVID-19 to the City’s future operations is highly uncertain. COVID-19 and the economic disruption resulting from measures to contain it have resulted in uncertainty surrounding several future revenue sources. Transient Occupancy Tax and parking meter and citation revenues remain at risk for the foreseeable future until downtown economic activity returns to pre COVID-19 levels.

As of June 30, 2021, the City received \$56 million of American Rescue Plan Act (ARPA) funding. No expenses were incurred using ARPA funds in fiscal year 2021. The balance will be applied to eligible expenses in future fiscal years through December 31, 2024. The City is expecting to receive another \$56 million of ARPA funding during fiscal year 2022.

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	2020	2021
Total pension liability							
Service cost	\$ 23,110	\$ 22,342	\$ 23,374	\$ 27,795	\$ 28,404	\$ 29,053	\$ 30,236
Interest on the total pension liability	70,942	74,835	79,515	84,334	89,060	94,760	99,810
Changes of assumptions	-	(20,153)	-	75,970	(7,898)	-	-
Differences between expected and actual experience	-	(8,865)	(333)	(838)	6,909	12,970	2,600
Benefit payments, including refunds of employee contributions	(30,240)	(34,390)	(37,980)	(42,305)	(48,384)	(53,695)	(59,069)
Net change in total pension liability	63,812	33,769	64,576	144,956	68,091	83,088	73,577
Total pension liability -- beginning	949,465	1,013,277	1,047,046	1,111,622	1,256,578	1,324,669	1,407,757
Total pension liability -- ending (a)	\$ 1,013,277	\$ 1,047,046	\$ 1,111,622	\$ 1,256,578	\$ 1,324,669	\$ 1,407,757	\$ 1,481,334
Plan fiduciary net position							
Contributions - employer	\$ 21,613	\$ 22,827	\$ 25,963	\$ 28,719	\$ 29,514	\$ 34,102	\$ 39,118
Contributions - employee	11,670	11,302	11,991	12,190	12,634	14,289	15,018
Net investment income	118,326	18,047	4,260	91,481	76,768	64,092	51,632
Benefit payments, including refunds of employee contributions	(30,240)	(34,390)	(37,980)	(42,305)	(48,384)	(53,695)	(59,069)
Plan to plan resource movement	-	(3,066)	531	74	(2)	-	-
Administrative expense	-	(922)	(496)	(1,209)	(1,413)	(694)	(1,454)
Other miscellaneous expense	-	-	-	-	(2,683)	2	-
Net change in fiduciary net position	121,369	13,798	4,269	88,950	66,434	58,096	45,245
Plan fiduciary net position -- beginning	678,261	799,630	813,428	817,697	906,647	973,081	1,031,177
Plan fiduciary net position -- ending (b)	\$ 799,630	\$ 813,428	\$ 817,697	\$ 906,647	\$ 973,081	\$ 1,031,177	\$ 1,076,422
Net pension liability -- ending (a) - (b)	\$ 213,647	\$ 233,618	\$ 293,925	\$ 349,931	\$ 351,588	\$ 376,580	\$ 404,912
Plan fiduciary net position as a percentage of the total pension liability	78.92%	77.69%	73.56%	72.15%	73.46%	73.25%	72.67%
Covered payroll **	\$ 156,032	\$ 157,449	\$ 166,403	\$ 176,795	\$ 181,331	\$ 185,823	\$ 195,700
Net pension liability as a percentage of covered payroll	136.93%	148.38%	176.63%	197.93%	193.89%	202.66%	206.90%
Measurement date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020

Notes to the Required Supplementary Information

* Fiscal year 2015 was the first year of implementation, therefore, only seven 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	2020	2021
Actuarially determined contributions	\$ 22,711	\$ 26,156	\$ 30,084	\$ 26,947	\$ 33,664	\$ 39,797	\$ 43,941
Contributions in relation to the actuarially determined contribution	22,711	26,156	30,084	26,947	33,664	39,797	43,941
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll **	\$ 157,449	\$ 166,403	\$ 176,795	\$ 181,331	\$ 185,823	\$ 195,700	\$ 204,851
Contributions as a percentage of covered payroll	14.42%	15.72%	17.02%	14.86%	18.12%	20.34%	21.45%

Notes to the Required Supplementary Information

Valuation date:	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018
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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	7.25% (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 seven 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	2020	2021
Total pension liability							
Service cost	\$ 29,539	\$ 29,653	\$ 31,672	\$ 37,372	\$ 38,386	\$ 40,221	\$ 42,306
Interest on the total pension liability	107,189	112,331	118,821	123,132	127,930	136,323	143,878
Changes of assumptions	-	(28,604)	-	107,046	(17,242)	-	-
Differences between expected and actual experience	-	(593)	14,398	(15,086)	3,954	35,991	20,246
Benefit payments, including refunds of employee contributions	(66,215)	(70,545)	(74,572)	(78,232)	(82,999)	(88,688)	(95,642)
Net change in total pension liability	70,513	42,242	90,319	174,232	70,029	123,847	110,788
Total pension liability -- beginning	1,447,520	1,518,033	1,560,275	1,650,594	1,824,826	1,894,855	2,018,702
Total pension liability -- ending (a)	\$ 1,518,033	\$ 1,560,275	\$ 1,650,594	\$ 1,824,826	\$ 1,894,855	\$ 2,018,702	\$ 2,129,490
Plan fiduciary net position							
Contributions - employer	\$ 27,935	\$ 30,798	\$ 36,001	\$ 40,609	\$ 41,588	\$ 49,875	\$ 58,584
Contributions - employee	16,094	15,565	18,465	18,980	21,564	22,752	23,832
Net investment income	171,795	25,341	4,971	125,586	104,661	86,282	69,226
Benefit payments, including refunds of employee contributions	(66,215)	(70,545)	(74,572)	(78,232)	(82,999)	(88,688)	(95,642)
Plan to plan resource movement	-	1	-	(74)	(4)	-	-
Administrative expense	-	(1,268)	(697)	(1,665)	(1,922)	(937)	(1,947)
Other miscellaneous expense	-	-	-	-	(3,650)	3	-
Net change in fiduciary net position	149,609	(128)	(15,832)	105,204	79,238	69,287	54,053
Plan fiduciary net position -- beginning	994,493	1,144,102	1,143,974	1,128,142	1,233,346	1,312,584	1,381,871
Plan fiduciary net position -- ending (b)	\$ 1,144,102	\$ 1,143,974	\$ 1,128,142	\$ 1,233,346	\$ 1,312,584	\$ 1,381,871	\$ 1,435,924
Net pension liability -- ending (a) - (b)	\$ 373,931	\$ 416,301	\$ 522,452	\$ 591,480	\$ 582,271	\$ 636,831	\$ 693,566
Plan fiduciary net position as a percentage of the total pension liability	75.37%	73.32%	68.35%	67.59%	69.27%	68.45%	67.43%
Covered payroll **	\$ 107,176	\$ 112,067	\$ 120,120	\$ 126,438	\$ 132,206	\$ 138,718	\$ 147,409
Net pension liability as a percentage of covered payroll	348.89%	371.48%	434.94%	467.80%	440.43%	459.08%	470.50%
Measurement date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020

Notes to the Required Supplementary Information

* Fiscal year 2015 was the first year of implementation, therefore, only seven 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	2020	2021
Actuarially determined contributions	\$ 36,638	\$ 40,959	\$ 47,222	\$ 49,102	\$ 56,327	\$ 66,147	\$ 66,915
Contributions in relation to the actuarially determined contribution	36,638	40,959	47,222	49,102	56,327	66,147	66,915
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll **	\$ 112,067	\$ 120,120	\$ 126,438	\$ 132,206	\$ 138,718	\$ 147,409	\$ 160,619
Contributions as a percentage of covered payroll	32.69%	34.10%	37.35%	37.14%	40.61%	44.87%	41.66%

Notes to the Required Supplementary Information

Valuation date:	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018
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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	7.25% (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 seven 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	2020	2021
Total pension liability							
Service cost	\$ 131	\$ 103	\$ 96	\$ 92	\$ 66	\$ 49	\$ 18
Interest on the total pension liability	23,134	23,416	22,759	20,877	20,095	19,363	18,342
Changes of assumptions	23,117	-	(16,246)	862	(927)	(1,593)	2,673
Differences between expected and actual experience	(8,783)	(1,173)	(3,701)	(2,457)	304	(3,768)	(6,349)
Benefit payments, including refunds of employee contributions	(33,791)	(32,683)	(32,171)	(31,583)	(31,134)	(30,457)	(28,992)
Net change in total pension liability	3,808	(10,337)	(29,263)	(12,209)	(11,596)	(16,406)	(14,308)
Total pension liability -- beginning	372,670	376,478	366,141	336,878	324,669	313,073	296,667
Total pension liability -- ending (a)	\$ 376,478	\$ 366,141	\$ 336,878	\$ 324,669	\$ 313,073	\$ 296,667	\$ 282,359
Plan fiduciary net position							
Contributions - employer	\$ 9,183	\$ 8,645	\$ 8,645	\$ 8,645	\$ 7,507	\$ 4,410	\$ 3,822
Contributions - employee	82	146	63	55	49	25	16
Net investment income	13,375	7,799	26,803	20,982	18,537	7,591	73,150
Benefits payments, including refunds of employee contributions	(33,791)	(32,683)	(32,171)	(31,583)	(31,134)	(30,457)	(28,992)
Net change in fiduciary net position	(11,151)	(16,093)	3,340	(1,901)	(5,041)	(18,431)	47,996
Plan fiduciary net position -- beginning	312,414	301,263	285,170	288,510	286,609	281,568	263,137
Plan fiduciary net position -- ending (b)	\$ 301,263	\$ 285,170	\$ 288,510	\$ 286,609	\$ 281,568	\$ 263,137	\$ 311,133
Net pension liability (Asset) -- ending (a) - (b)	\$ 75,215	\$ 80,971	\$ 48,368	\$ 38,060	\$ 31,505	\$ 33,530	\$ (28,774)
Plan fiduciary net position as a percentage of the total pension liability	80.02%	77.89%	85.64%	88.28%	89.94%	88.70%	110.19%
Covered payroll **	\$ 1,180	\$ 1,020	\$ 1,049	\$ 921	\$ 678	\$ 362	\$ 270
Net pension liability (Asset) as a percentage of covered payroll	6374.15%	7938.33%	4610.87%	4132.46%	4646.76%	9262.43%	-10657.04%
Measurement date	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021

Notes to the Required Supplementary Information

* Fiscal year 2015 was the first year of implementation, therefore, only seven 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	2020	2021
Actuarially determined contributions	\$ 9,183	\$ 8,645	\$ 8,330	\$ 8,267	\$ 5,268	\$ 4,410	\$ 3,822
Contributions in relation to the actuarially determined contribution	9,183	8,645	8,645	8,645	7,507	4,410	3,822
Contribution deficiency (excess)	\$ -	\$ -	\$ (315)	\$ (378)	\$ (2,239)	\$ -	\$ -
Covered payroll **	\$ 1,180	\$ 1,020	\$ 1,049	\$ 921	\$ 678	\$ 362	\$ 270
Contributions as a percentage of covered payroll	778%	848%	824%	939%	1107%	1218%	1416%

Notes to the Required Supplementary Information

Valuation date:	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
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Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar payments over 12 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 Section 175 are assumed to retire at age 65
Mortality	CalPERS 1997-2015 Mortality Tables with Scale MP-2018

* Fiscal year 2015 was the first year of implementation, therefore, only seven 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	2020	2021
Total OPEB liability				
Service cost	\$ 11,872	\$ 11,052	\$ 9,931	\$ 5,809
Interest on the total OPEB liability	15,313	16,612	18,106	19,582
Changes of benefit terms	-	-	383	-
Changes of assumptions	(24,429)	(30,845)	(92,281)	(4,097)
Changes between expected and actual experience	-	-	(28,948)	-
Benefit payments	(12,565)	(12,903)	(14,890)	(15,764)
Net change in total OPEB liability	(9,809)	(16,084)	(107,699)	5,530
Total OPEB liability -- beginning	425,766	415,957	399,873	292,174
Total OPEB liability -- ending (a)	\$ 415,957	\$ 399,873	\$ 292,174	\$ 297,704
Plan fiduciary net position				
Contributions - employer	\$ 21,605	\$ 21,072	\$ 18,406	\$ 24,598
Contributions - employee	297	308	303	310
Net investment income	2,034	2,156	2,432	1,064
Benefit payments	(12,565)	(12,903)	(14,890)	(15,764)
Administrative expense	(10)	(51)	(8)	(23)
Net change in fiduciary net position	11,361	10,582	6,243	10,185
Plan fiduciary net position -- beginning	15,084	26,445	37,027	43,270
Plan fiduciary net position -- ending (b)	\$ 26,445	\$ 37,027	\$ 43,270	\$ 53,455
Net OPEB liability -- ending (a) - (b)	\$ 389,512	\$ 362,846	\$ 248,904	\$ 244,249
Plan fiduciary net position as a percentage of the total OPEB liability	6.36%	9.26%	14.81%	18.00%
Covered-employee payroll	\$ 237,926	\$ 236,885	\$ 245,622	\$ 261,187
Net OPEB liability as a percentage of covered payroll	163.71%	153.17%	101.34%	93.51%
Measurement date	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020

Notes to the Required Supplementary Information

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

City of Sacramento
Required Supplementary Information
 OPEB Schedule of Contributions
 Last Ten Years* (in thousands)

	Fiscal Year			
	2018	2019	2020	2021
Actuarially determined contributions	\$ 36,393	\$ 34,454	\$ 36,155	\$ 25,548
Contributions in relation to the actuarially determined contribution	21,072	18,406	24,598	21,687
Contribution deficiency (excess)	15,321	16,048	11,557	3,861
Covered-employee payroll	\$ 236,885	\$ 245,622	\$ 261,187	\$ 249,162
Contributions as a percentage of covered-employee payroll	8.90%	7.49%	9.42%	8.70%

Notes to the Required Supplementary Information

Valuation date:	6/30/2016	6/30/2017	6/30/2018	6/30/2019
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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	Investment gains and losses spread over 5-year rolling period
Inflation	2.75%
Salary Increase	3%
Investment rate of return	6.75%
Healthcare cost trend rate	Non- Medicare - 7.5% for 2020, decreasing to 4% for 2076 and later Medicare - 6.5% for 2020, decreasing to 4% for 2076 and later
Mortality	Mortality assumptions are based on mortality rates resulting from the CalPERS 1997-2015 Experience Study and SCERS June 30, 2019 valuation assumptions

* Fiscal year 2018 was the first year of implementation, therefore, only four 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 ACFR.

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 ACFR.

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 ACFR.

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 ACFR.

City of Sacramento
Other Governmental Funds
Combining Balance Sheet

June 30, 2021
(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	\$ 139,898	\$ 3,910	\$ 195,952	\$ 6,677	\$ 346,437
Cash and investments held by fiscal agent	-	53	-	-	53
Receivables, net:					
Taxes	5,632	-	-	-	5,632
Accounts	2,118	-	8,290	-	10,408
Loans	950	-	-	-	950
Intergovernmental	641	12,249	15,104	-	27,994
Interest	119	-	168	12	299
Prepaid items	1	-	-	-	1
Restricted assets:					
Cash and investments held by City	160	-	12,600	-	12,760
Cash and investments held by fiscal agent	-	4,183	-	-	4,183
Total assets	\$ 149,519	\$ 20,395	\$ 232,114	\$ 6,689	\$ 408,717
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 4,712	\$ -	\$ 9,170	\$ 9	\$ 13,891
Accrued payroll	39	-	-	-	39
Due to other funds	-	-	3,455	-	3,455
Deposits	2,234	-	-	-	2,234
Unearned revenue	533	-	5,401	-	5,934
Advances from other funds	6,424	-	-	-	6,424
Total liabilities	13,942	-	18,026	9	31,977
Deferred inflows of resources:					
Unavailable revenue	272	12,249	14,999	-	27,520
Fund balances:					
Nonspendable:					
Prepaid items	1	-	-	-	1
Permanent fund principal	-	-	-	578	578
Restricted:					
Capital projects	23,743	-	206,580	-	230,323
Debt service	160	4,183	-	-	4,343
Public works programs	21,141	-	-	-	21,141
Economic development programs	49,537	-	-	-	49,537
Other programs	20,161	-	1,561	6,102	27,824
Committed:					
Capital projects	867	-	-	-	867
Debt service	-	1,992	-	-	1,992
Other programs	22,662	-	-	-	22,662
Assigned:					
Debt service	-	1,971	-	-	1,971
Unrealized investment gains	-	-	-	-	-
Other programs	63	-	-	-	63
Unassigned	(3,030)	-	(9,052)	-	(12,082)
Total fund balances	135,305	8,146	199,089	6,680	349,220
Total liabilities, deferred inflows of resources and fund balances	\$ 149,519	\$ 20,395	\$ 232,114	\$ 6,689	\$ 408,717

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

For the Fiscal Year Ended June 30, 2021
(in thousands)

	Other Special Revenue Funds	Other Debt Service Funds	Other Capital Projects Funds	Permanent Funds	Total Other Governmental Funds
Revenues:					
Taxes	\$ 10,125	\$ -	\$ 3,451	\$ -	\$ 13,576
Intergovernmental	16,487	420	52,534	-	69,441
Charges for services	18,561	-	1,140	-	19,701
Fines, forfeits and penalties	346	-	-	-	346
Interest, rents, and concessions	3,588	1,501	1,263	1,285	7,637
Community service fees	451	-	26,766	-	27,217
Assessment levies	50,024	-	1,388	-	51,412
Contributions and donations	396	-	47,213	-	47,609
Total revenues	99,978	1,921	133,755	1,285	236,939
Expenditures:					
Current:					
General government	14,902	-	800	170	15,872
Public works	29,628	-	6,303	-	35,931
Convention and cultural services	5,323	-	-	307	5,630
Youth, parks, and community enrichment	8,761	-	180	-	8,941
Community development	15,345	-	17,539	-	32,884
Library	8,446	-	-	-	8,446
Utilities	212	-	-	-	212
Capital outlay	5,442	-	90,442	-	95,884
Debt service:					
Principal	1,070	13,265	8,083	-	22,418
Interest and fiscal charges	1,006	10,509	104	-	11,619
Total expenditures	90,135	23,774	123,451	477	237,837
Excess (deficiency) of revenues over (under) expenditures	9,843	(21,853)	10,304	808	(898)
Other financing sources (uses):					
Transfers in	15,640	17,444	150	-	33,234
Transfers out	(23,864)	(494)	(1,114)	-	(25,472)
Issuance of long-term debt	127	-	11,128	-	11,255
Total other financing sources (uses)	(8,097)	16,950	10,164	-	19,017
Changes in fund balances	1,746	(4,903)	20,468	808	18,119
Fund balances, beginning of year	133,559	13,049	178,621	5,872	331,101
Fund balances, end of year	\$ 135,305	\$ 8,146	\$ 199,089	\$ 6,680	\$ 349,220

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:

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.

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.

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.

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).

CCOMWP FUND is used to account for the revenue and expenditures associated with the City/County Office of Metropolitan Water Planning (CCOMWP). 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.

SPECIAL DISTRICTS 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 Fund includes the Business Improvement Districts Program, the Landscaping and Lighting Districts Program, the Maintenance Benefit Area Program, and the Assessment District Maintenance Program.

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, 2021

(in thousands)

	Transportation and Development Fund	Culture and Leisure Fund	Parks and Recreation Fund	Economic Development Fund
ASSETS				
Cash and investments held by City	\$ 58,219	\$ 6,579	\$ 8,973	\$ 43,051
Cash and investments held by fiscal agent	-	-	-	-
Receivables, net:				
Taxes	-	-	-	5,632
Accounts	238	158	24	-
Loans	-	-	-	950
Intergovernmental	-	-	-	-
Interest	116	-	3	-
Prepaid items	-	1	-	-
Restricted assets:				
Cash and investments held by City	-	160	-	-
Cash and investments held by fiscal agent	-	-	-	-
Total assets	\$ 58,573	\$ 6,898	\$ 9,000	\$ 49,633
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,358	\$ 71	\$ 166	\$ 93
Accrued payroll	-	13	16	3
Deposits	2,066	168	-	-
Unearned revenue	505	28	-	-
Advances from other funds	-	6,424	-	-
Total liabilities	3,929	6,704	182	96
Deferred inflows of resources:				
Unavailable revenue	97	62	-	-
Fund balances:				
Nonspendable:				
Prepaid items	-	1	-	-
Restricted:				
Capital projects	12,632	-	4,543	-
Debt service	-	160	-	-
Public works programs	21,141	-	-	-
Economic development programs	-	-	-	49,537
Other programs	-	1,380	3,954	-
Committed:				
Capital projects	193	674	-	-
Other programs	20,581	947	258	-
Assigned:				
Other programs	-	-	63	-
Unassigned	-	(3,030)	-	-
Total fund balances	54,547	132	8,818	49,537
Total liabilities, deferred inflows of resources and fund balances	\$ 58,573	\$ 6,898	\$ 9,000	\$ 49,633

City of Sacramento
Other Special Revenue Funds
Combining Balance Sheet

June 30, 2021

(in thousands)

	CCOMWP Fund	Special Districts Fund	Cal EPA Fund	Total Other Special Revenue Funds
ASSETS				
Cash and investments held by City	\$ 1,209	\$ 21,002	\$ 865	\$ 139,898
Cash and investments held by fiscal agent	-	-	-	-
Receivables, net:				
Taxes	-	-	-	5,632
Accounts	-	1,687	11	2,118
Loans	-	-	-	950
Intergovernmental	641	-	-	641
Interest	-	-	-	119
Prepaid items	-	-	-	1
Restricted assets:				
Cash and investments held by City	-	-	-	160
Cash and investments held by fiscal agent	-	-	-	-
Total assets	\$ 1,850	\$ 22,689	\$ 876	\$ 149,519
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 248	\$ 2,776	\$ -	\$ 4,712
Accrued payroll	7	-	-	39
Deposits	-	-	-	2,234
Unearned revenue	-	-	-	533
Advances from other funds	-	-	-	6,424
Total liabilities	255	2,776	-	13,942
Deferred Inflows of resources:				
Unavailable revenue	113	-	-	272
Fund balances:				
Nonspendable:				
Prepaid items	-	-	-	1
Restricted:				
Capital projects	1,482	5,086	-	23,743
Debt service	-	-	-	160
Public works programs	-	-	-	21,141
Economic development programs	-	-	-	49,537
Other programs	-	14,827	-	20,161
Committed:				
Capital projects	-	-	-	867
Other programs	-	-	876	22,662
Assigned:				
Other programs	-	-	-	63
Unassigned	-	-	-	(3,030)
Total fund balances	1,482	19,913	876	135,305
Total liabilities, deferred inflows of resources and fund balances	\$ 1,850	\$ 22,689	\$ 876	\$ 149,519

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

For the Fiscal Year Ended June 30, 2021

(in thousands)

	Transportation and Development Fund	Culture and Leisure Fund	Parks and Recreation Fund	Economic Development Fund
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 10,125
Intergovernmental	13,890	-	485	-
Charges for services	16,393	2,168	-	-
Fines, forfeits and penalties	346	-	-	-
Interest, rents, and concessions	220	2,015	802	303
Community service fees	143	-	308	-
Assessment levies	306	-	-	-
Contributions and donations	-	48	348	-
Total revenues	31,298	4,231	1,943	10,428
Expenditures:				
Current:				
General government	-	-	-	1,538
Public works	13,464	-	-	-
Convention and cultural services	-	1,712	-	-
Youth, parks, and community enrichment	-	-	1,486	-
Community development	15,145	-	-	-
Library	-	-	-	-
Utilities	-	-	-	-
Capital outlay	2,246	51	623	82
Debt service:				
Principal	-	1,070	-	-
Interest and fiscal charges	-	1,006	-	-
Total expenditures	30,855	3,839	2,109	1,620
Excess (deficiency) of revenues over (under) expenditures	443	392	(166)	8,808
Other financing sources (uses):				
Transfers in	-	262	515	14,375
Transfers out	(524)	-	-	(20,600)
Issuance of long term debt	-	127	-	-
Total other financing sources (uses)	(524)	389	515	(6,225)
Changes in fund balances	(81)	781	349	2,583
Fund balances (deficit), beginning of year	54,628	(649)	8,469	46,954
Fund balances, end of year	\$ 54,547	\$ 132	\$ 8,818	\$ 49,537

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

For the Fiscal Year Ended June 30, 2021
(in thousands)

	CCOMWP Fund	Special Districts Fund	Cal EPA Fund	Total Other Special Revenue Funds
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 10,125
Intergovernmental	1,901	-	211	16,487
Charges for services	-	-	-	18,561
Fines, forfeits and penalties	-	-	-	346
Interest, rents, and concessions	18	220	10	3,588
Community service fees	-	-	-	451
Assessment levies	-	49,718	-	50,024
Contributions and donations	-	-	-	396
Total revenues	1,919	49,938	221	99,978
Expenditures:				
Current:				
General government	2,682	10,682	-	14,902
Public works	-	16,162	2	29,628
Convention and cultural services	-	3,611	-	5,323
Youth, parks, and community enrichment	-	7,275	-	8,761
Community development	-	200	-	15,345
Library	-	8,446	-	8,446
Utilities	-	212	-	212
Capital outlay	-	2,264	176	5,442
Debt service:				
Principal	-	-	-	1,070
Interest and fiscal charges	-	-	-	1,006
Total expenditures	2,682	48,852	178	90,135
Excess (deficiency) of revenues over (under) expenditures	(763)	1,086	43	9,843
Other financing sources (uses):				
Transfers in	488	-	-	15,640
Transfers out	-	(2,740)	-	(23,864)
Issuance of long term debt	-	-	-	127
Total other financing sources (uses)	488	(2,740)	-	(8,097)
Changes in fund balances	(275)	(1,654)	43	1,746
Fund balances (deficit), beginning of year	1,757	21,567	833	133,559
Fund balances, end of year	\$ 1,482	\$ 19,913	\$ 876	\$ 135,305

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, 2021

(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 12,563	\$ 12,563	\$ 13,890	\$ 1,327
Charges for services	3,451	5,863	5,680	(183)
Fines, forfeits and penalties	400	400	346	(54)
Interest, rents, and concessions	40	40	110	70
Total revenues	16,454	18,866	20,026	1,160
Expenditures:				
Current:				
Public works	14,005	14,002	13,462	540
Community development	3,451	5,859	3,266	2,593
Capital outlay	1,888	1,888	1,925	(37)
Total expenditures	19,344	21,749	18,653	3,096
Excess (deficiency) of revenues over (under) expenditures	(2,890)	(2,883)	1,373	4,256
Other financing uses:				
Transfers out	-	-	(423)	(423)
Changes in fund balance for budgeted activities	(2,890)	(2,883)	950	3,833
Fund balance, beginning of year for budgeted activities	44,921	44,921	44,921	-
Fund balance, end of year for budgeted activities	<u>\$ 42,031</u>	<u>\$ 42,038</u>	45,871	<u>\$ 3,833</u>
Change in fund balance for Transportation and Development Special Revenue Fund activities for which annual budgets are not adopted			(1,031)	
Fund balance, beginning of year for non-budgeted activities			<u>9,707</u>	
Fund balance, end of year			<u>\$ 54,547</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, 2021

(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 1,617	\$ 1,617	\$ 2,168	\$ 551
Interest, rents and concessions	1,171	1,171	2,015	844
Contributions and donations	45	45	48	3
Total revenues	2,833	2,833	4,231	1,398
Expenditures:				
Current:				
Convention and cultural services	1,442	1,442	1,712	(270)
Capital outlay	769	769	51	718
Debt service:				
Principal	1,208	1,208	1,070	138
Interest and fiscal charges	879	879	1,006	(127)
Total expenditures	4,298	4,298	3,839	459
Excess (deficiency) of revenues over (under) expenditures	(1,465)	(1,465)	392	1,857
Other financing sources:				
Transfers in	250	250	262	12
Issuance of long term debt	-	-	127	127
Total other financing sources	250	250	389	139
Changes in fund balance	(1,215)	(1,215)	781	1,996
Fund deficit, beginning of year	(649)	(649)	(649)	-
Fund balance (deficit), end of year	\$ (1,864)	\$ (1,864)	\$ 132	\$ 1,996

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, 2021

(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 658	\$ 432	\$ 485	\$ 53
Interest, rents and concessions	45	45	75	30
Community service fees	46	46	15	(31)
Total revenues	749	523	575	52
Expenditures:				
Current:				
Youth, parks, and community enrichment	1,753	1,309	1,270	39
Capital outlay	1	1	9	(8)
Total expenditures	1,754	1,310	1,279	31
Deficiency of revenues under expenditures	(1,005)	(787)	(704)	83
Other financing sources:				
Transfers in	-	600	515	(85)
Changes in fund balance for budgeted activities	(1,005)	(187)	(189)	(2)
Fund balance, beginning of year for budgeted activities	510	510	510	-
Fund balance (deficit), end of year for budgeted activities	<u>\$ (495)</u>	<u>\$ 323</u>	321	<u>\$ (2)</u>
Change in fund balance for Parks and Recreation Special Revenue Fund activities for which annual budgets are not adopted.			538	
Fund balance, beginning of year for non-budgeted activities			<u>7,959</u>	
Fund balance, end of year			<u>\$ 8,818</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, 2021
(in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 1,124	\$ 841	\$ 1,901	\$ 1,060
Interest, rents and concessions	-	-	18	18
Total revenues	<u>1,124</u>	<u>841</u>	<u>1,919</u>	<u>1,078</u>
Expenditures:				
Current:				
General government	<u>2,088</u>	<u>4,478</u>	<u>2,682</u>	<u>1,796</u>
Deficiency of revenues under expenditures	(964)	(3,637)	(763)	2,874
Other financing sources:				
Transfers in	<u>488</u>	<u>488</u>	<u>488</u>	<u>-</u>
Changes in fund balance	(476)	(3,149)	(275)	2,874
Fund balance, beginning of year	<u>1,757</u>	<u>1,757</u>	<u>1,757</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ 1,281</u>	<u>\$ (1,392)</u>	<u>\$ 1,482</u>	<u>\$ 2,874</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, 2021
(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Interest, rents, and concessions	\$ -	\$ -	\$ 220	\$ 220
Assessment levies	51,236	49,869	49,718	(151)
Total revenues	51,236	49,869	49,938	69
Expenditures:				
Current:				
General government	9,795	10,431	10,682	(251)
Public works	18,850	18,650	16,162	2,488
Convention and cultural services	7,219	3,637	3,611	26
Youth, parks, and community enrichment	7,512	7,512	7,275	237
Community development	200	200	200	-
Library	8,640	8,640	8,446	194
Utilities	679	679	212	467
Capital outlay	6,276	8,005	2,264	5,741
Total expenditures	59,171	57,754	48,852	8,902
Excess (deficiency) of revenues over (under) expenditures	(7,935)	(7,885)	1,086	8,971
Other financing uses:				
Transfers out	(2,740)	(2,740)	(2,740)	-
Changes in fund balance	(10,675)	(10,625)	(1,654)	8,971
Fund balance, beginning of year	21,567	21,567	21,567	-
Fund balance, end of year	\$ 10,892	\$ 10,942	\$ 19,913	\$ 8,971

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, 2021

(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 188	\$ 188	\$ 211	\$ 23
Interest, rents, and concessions	-	-	10	10
Total revenues	188	188	221	33
Expenditures:				
Current:				
Public Works	-	-	2	(2)
Capital outlay	176	176	176	-
Total expenditures	176	176	178	(2)
Changes in fund balance	12	12	43	31
Fund balance, beginning of year	833	833	833	-
Fund balance, end of year	\$ 845	\$ 845	\$ 876	\$ 31

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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:

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 A Revenue Bonds were paid off in the fiscal year ended June 30, 2021.

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 1993 Series B Revenue Bonds were paid off in the fiscal year ended June 30, 2021.

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.

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

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.

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).

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

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City of Sacramento
Other Debt Service Funds
Combining Balance Sheet

June 30, 2021

(in thousands)

	2006 Series B Revenue Bond Fund	2006 Series E Revenue Bond Fund	2015 Refunding Revenue Bond Fund
<u>ASSETS</u>			
Assets:			
Cash and investments held by City	\$ 1,939	\$ -	\$ 1,970
Cash and investments held by fiscal agent	53	-	-
Receivables, net:			
Intergovernmental	10,301	1,948	-
Restricted assets:			
Cash and investments held by fiscal agent	<u>3,942</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 16,235</u>	<u>\$ 1,948</u>	<u>\$ 1,970</u>
<u>DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Deferred inflows of resources:			
Unavailable revenue	<u>10,301</u>	<u>1,948</u>	<u>-</u>
Fund balances:			
Restricted:			
Debt service	3,942	-	-
Committed:			
Debt service	1,992	-	-
Assigned:			
Debt service	<u>-</u>	<u>-</u>	<u>1,970</u>
Total fund balances	<u>5,934</u>	<u>-</u>	<u>1,970</u>
Total deferred inflows of resources and fund balances	<u>\$ 16,235</u>	<u>\$ 1,948</u>	<u>\$ 1,970</u>

City of Sacramento
Other Debt Service Funds
Combining Balance Sheet

June 30, 2021

(in thousands)

	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	\$ 3,910
Cash and investments held by fiscal agent	-	-	53
Receivables, net:			
Intergovernmental	-	-	12,249
Restricted assets:			
Cash and investments held by fiscal agent	241	-	4,183
Total assets	<u>\$ 241</u>	<u>\$ 1</u>	<u>\$ 20,395</u>
<u>DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Deferred inflows of resources:			
Unavailable revenue	-	-	12,249
Fund balances:			
Restricted:			
Debt service	241	-	4,183
Committed:			
Debt service	-	-	1,992
Assigned:			
Debt service	-	1	1,971
Total fund balances	<u>241</u>	<u>1</u>	<u>8,146</u>
Total deferred inflows of resources and fund balances	<u>\$ 241</u>	<u>\$ 1</u>	<u>\$ 20,395</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, 2021

(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
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 420	\$ -
Interest, rents, and concessions	1	1	813	102
Total revenues	<u>1</u>	<u>1</u>	<u>1,233</u>	<u>102</u>
Expenditures:				
Debt service:				
Principal	1,024	2,901	1,485	-
Interest and fiscal charges	28	78	2,457	4,086
Total expenditures	<u>1,052</u>	<u>2,979</u>	<u>3,942</u>	<u>4,086</u>
Deficiency of revenues under expenditures	<u>(1,051)</u>	<u>(2,978)</u>	<u>(2,709)</u>	<u>(3,984)</u>
Other financing sources (uses):				
Transfers in	-	-	2,350	3,984
Transfers out	(172)	(322)	-	-
Total other financing sources (uses)	<u>(172)</u>	<u>(322)</u>	<u>2,350</u>	<u>3,984</u>
Changes in fund balances	(1,223)	(3,300)	(359)	-
Fund balances, beginning of year	<u>1,223</u>	<u>3,300</u>	<u>6,293</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,934</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, 2021

(in thousands)

	2015 Refunding Revenue Bond Fund	2016 SPFA Lease Financing Fund	Other City Debt Fund	Total Other Debt Service Funds
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ 420
Interest, rents, and concessions	20	564	-	1,501
Total revenues	<u>20</u>	<u>564</u>	<u>-</u>	<u>1,921</u>
Expenditures:				
Debt service:				
Principal	7,380	475	-	13,265
Interest and fiscal charges	3,664	196	-	10,509
Total expenditures	<u>11,044</u>	<u>671</u>	<u>-</u>	<u>23,774</u>
Deficiency of revenues under expenditures	<u>(11,024)</u>	<u>(107)</u>	<u>-</u>	<u>(21,853)</u>
Other financing sources:				
Transfers in	11,044	66	-	17,444
Transfers out	-	-	-	(494)
Total other financing sources (uses)	<u>11,044</u>	<u>66</u>	<u>-</u>	<u>16,950</u>
Changes in fund balances	20	(41)	-	(4,903)
Fund balances, beginning of year	<u>1,950</u>	<u>282</u>	<u>1</u>	<u>13,049</u>
Fund balances, end of year	<u>\$ 1,970</u>	<u>\$ 241</u>	<u>\$ 1</u>	<u>\$ 8,146</u>

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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 projects. The following capital projects funds have been classified as nonmajor funds:

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

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.

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.

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.

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

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.

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, 2021
(in thousands)

	General Fund Capital Projects Fund	Transportation and Development Fund	Crocker Art Museum Expansion Fund	Capital Grants Fund
ASSETS				
Cash and investments held by City	\$ -	\$ 81,734	\$ -	\$ -
Receivables, net:				
Accounts	-	938	-	159
Intergovernmental	-	2,292	-	12,812
Interest	-	85	-	-
Restricted assets:				
Cash and investments held by City	105	-	151	31
Total assets	<u>\$ 105</u>	<u>\$ 85,049</u>	<u>\$ 151</u>	<u>\$ 13,002</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 1,558	\$ -	\$ 4,233
Due to other funds	-	-	-	3,455
Unearned revenue	-	481	-	1,454
Total liabilities	<u>-</u>	<u>2,039</u>	<u>-</u>	<u>9,142</u>
Deferred inflows of resources:				
Unavailable revenue	-	2,125	-	8,999
Fund balances:				
Restricted:				
Capital projects	105	80,938	151	3,860
Other programs	-	-	-	-
Unassigned	-	(53)	-	(8,999)
Total fund balances (deficit)	<u>105</u>	<u>80,885</u>	<u>151</u>	<u>(5,139)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 105</u>	<u>\$ 85,049</u>	<u>\$ 151</u>	<u>\$ 13,002</u>

City of Sacramento
Other Capital Projects Funds
Combining Balance Sheet

June 30, 2021
(in thousands)

	Financing Plans Fund	Special Districts Fund	Economic Development Fund	Total Other Capital Projects Funds
ASSETS				
Cash and investments held by City	\$ 89,833	\$ 24,385	\$ -	\$ 195,952
Receivables, net:				
Accounts	7,193	-	-	8,290
Intergovernmental	-	-	-	15,104
Interest	83	-	-	168
Restricted assets:				
Cash and investments held by City	-	-	12,313	12,600
Total assets	<u>\$ 97,109</u>	<u>\$ 24,385</u>	<u>\$ 12,313</u>	<u>\$ 232,114</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 2,912	\$ -	\$ 467	\$ 9,170
Due to other funds	-	-	-	3,455
Unearned revenue	3,466	-	-	5,401
Total liabilities	<u>6,378</u>	<u>-</u>	<u>467</u>	<u>18,026</u>
Deferred inflows of resources:				
Unavailable revenue	<u>3,875</u>	<u>-</u>	<u>-</u>	<u>14,999</u>
Fund balances:				
Restricted:				
Capital projects	85,295	24,385	11,846	206,580
Other programs	1,561	-	-	1,561
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,052)</u>
Total fund balances (deficit)	<u>86,856</u>	<u>24,385</u>	<u>11,846</u>	<u>199,089</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 97,109</u>	<u>\$ 24,385</u>	<u>\$ 12,313</u>	<u>\$ 232,114</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, 2021
(in thousands)

	General Fund Capital Projects Fund	Transportation and Development Fund	Crocker Art Museum Expansion Fund	Capital Grants Fund
Revenues:				
Taxes	\$ -	\$ 3,451	\$ -	\$ -
Intergovernmental	-	23,971	-	28,563
Charges for services	-	600	-	-
Interest, rents, and concessions	1	523	2	56
Community service fees	-	-	-	-
Assessment levies	-	-	-	-
Contributions and donations	-	-	-	458
Total revenues	1	28,545	2	29,077
Expenditures:				
Current:				
General government	-	-	-	-
Public works	-	6,244	-	-
Youth, parks, and community enrichment	-	-	-	-
Community development	-	-	-	-
Capital outlay	25	13,183	-	26,807
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	25	19,427	-	26,807
Excess (deficiency) of revenues over (under) expenditures	(24)	9,118	2	2,270
Other financing sources (uses):				
Transfers in	-	-	-	150
Transfers out	-	-	-	(56)
Issuance of long-term debt	-	-	-	-
Total other financing sources (uses)	-	-	-	94
Changes in fund balances	(24)	9,118	2	2,364
Fund balances (deficit) , beginning of year	129	71,767	149	(7,503)
Fund balances (deficit) , end of year	\$ 105	\$ 80,885	\$ 151	\$ (5,139)

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

For the Fiscal Year Ended June 30, 2021
(in thousands)

	Financing Plans Fund	Special Districts Fund	Economic Development Fund	Total Other Capital Projects Funds
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 3,451
Intergovernmental	-	-	-	52,534
Charges for services	540	-	-	1,140
Interest, rents, and concessions	379	172	130	1,263
Community service fees	26,766	-	-	26,766
Assessment levies	1,383	5	-	1,388
Contributions and donations	-	46,755	-	47,213
Total revenues	29,068	46,932	130	133,755
Expenditures:				
Current:				
General government	-	-	800	800
Public works	59	-	-	6,303
Youth, parks, and community enrichment	180	-	-	180
Community development	5,062	12,477	-	17,539
Capital outlay	27,750	21,693	984	90,442
Debt service:				
Principal	8,083	-	-	8,083
Interest and fiscal charges	104	-	-	104
Total expenditures	41,238	34,170	1,784	123,451
Excess (deficiency) of revenues over (under) expenditures	(12,170)	12,762	(1,654)	10,304
Other financing sources (uses):				
Transfers in	-	-	-	150
Transfers out	(1,058)	-	-	(1,114)
Issuance of long-term debt	11,128	-	-	11,128
Total other financing sources (uses)	10,070	-	-	10,164
Changes in fund balances	(2,100)	12,762	(1,654)	20,468
Fund balances (deficit) , beginning of year	88,956	11,623	13,500	178,621
Fund balances (deficit) , end of year	\$ 86,856	\$ 24,385	\$ 11,846	\$ 199,089

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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:

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

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

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.

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.

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. The entire amount of the endowment was distributed to the Sacramento History Alliance and the fund was closed in the fiscal year ended June 30, 2021.

City of Sacramento
Permanent Funds
Combining Balance Sheet
June 30, 2021
(in thousands)

	<u>Ann Land Fund</u>	<u>Bertha Henschel Fund</u>	<u>George Clark Scholarship Fund</u>	<u>Alice Miller Fund</u>	<u>Total Permanent Funds</u>
<u>ASSETS</u>					
Cash and investments held by City	\$ 1,214	\$ 3,643	\$ 1,773	\$ 47	\$ 6,677
Receivables, net:					
Interest	<u>3</u>	<u>8</u>	<u>1</u>	<u>-</u>	<u>12</u>
Total assets	<u>\$ 1,217</u>	<u>\$ 3,651</u>	<u>\$ 1,774</u>	<u>\$ 47</u>	<u>\$ 6,689</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Liabilities:					
Accounts payable	<u>\$ 1</u>	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ -</u>	<u>\$ 9</u>
Fund balances:					
Nonspendable:					
Permanent fund principal	272	278	25	3	578
Restricted:					
Other programs	<u>944</u>	<u>3,370</u>	<u>1,744</u>	<u>44</u>	<u>6,102</u>
Total fund balances	<u>1,216</u>	<u>3,648</u>	<u>1,769</u>	<u>47</u>	<u>6,680</u>
Total liabilities and fund balances	<u>\$ 1,217</u>	<u>\$ 3,651</u>	<u>\$ 1,774</u>	<u>\$ 47</u>	<u>\$ 6,689</u>

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

For the Fiscal Year Ended June 30, 2021
(in thousands)

	<u>Ann Land Fund</u>	<u>Bertha Henschel Fund</u>	<u>George Clark Scholarship Fund</u>
Revenues:			
Interest, rents, and concessions	\$ 209	\$ 625	\$ 449
Expenditures:			
Current:			
General government	38	113	19
Convention and cultural services	-	-	-
Total expenditures	<u>38</u>	<u>113</u>	<u>19</u>
Changes in fund balances	171	512	430
Fund balances, beginning of year	<u>1,045</u>	<u>3,136</u>	<u>1,339</u>
Fund balances, end of year	<u>\$ 1,216</u>	<u>\$ 3,648</u>	<u>\$ 1,769</u>

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

For the Fiscal Year Ended June 30, 2021
(in thousands)

	<u>Alice Miller Fund</u>	<u>Sacramento History Museum Fund</u>	<u>Total Permanent Funds</u>
Revenues:			
Interest, rents, and concessions	\$ 1	\$ 1	\$ 1,285
Expenditures:			
Current:			
General government	-	-	170
Convention and cultural services	-	307	307
Total expenditures	-	307	477
Changes in fund balances	1	(306)	808
Fund balances, beginning of year	46	306	5,872
Fund balances, end of year	<u>\$ 47</u>	<u>\$ -</u>	<u>\$ 6,680</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:

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

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

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City of Sacramento
Other Enterprise Funds
Combining Statement of Net Position

June 30, 2021

(in thousands)

	Parking Fund	4th R Child Development Fund	Total Other Enterprise Funds
<u>ASSETS</u>			
Current assets:			
Cash and investments held by City	\$ 21,488	\$ 3,425	\$ 24,913
Receivables, net:			
Accounts	672	48	720
Prepaid items	12	1	13
Intangible asset, current portion	-	8	8
Total current assets	<u>22,172</u>	<u>3,482</u>	<u>25,654</u>
Noncurrent assets:			
Intangible assets	-	112	112
Capital assets:			
Land	5,825	-	5,825
Buildings and improvements	61,896	1,546	63,442
Machinery and equipment	6,235	-	6,235
Construction in progress	4,531	-	4,531
Software	32	-	32
Less: accumulated depreciation/amortization	<u>(42,531)</u>	<u>(1,329)</u>	<u>(43,860)</u>
Total noncurrent assets	<u>35,988</u>	<u>329</u>	<u>36,317</u>
Total assets	<u>58,160</u>	<u>3,811</u>	<u>61,971</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows related to pensions	739	645	1,384
Deferred outflows related to OPEB	<u>185</u>	<u>41</u>	<u>226</u>
Total deferred outflows of resources	<u>924</u>	<u>686</u>	<u>1,610</u>

City of Sacramento
Other Enterprise Funds
Combining Statement of Net Position

June 30, 2021
(in thousands)

	Parking Fund	4th R Child Development Fund	Total Other Enterprise Funds
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	1,522	18	1,540
Accrued payroll	92	126	218
Accrued compensated absences	15	15	30
Interest payable	42	-	42
Deposits	534	-	534
Unearned revenue	280	136	416
Accrued claims and judgments	1	5	6
Revenue and other bonds payable, net	1,141	-	1,141
Total current liabilities	<u>3,627</u>	<u>300</u>	<u>3,927</u>
Noncurrent liabilities:			
Accrued compensated absences	365	254	619
Net OPEB liability	1,737	105	1,842
Revenue and other bonds payable, net	11,000	-	11,000
Net pension liability	5,409	5,393	10,802
Total noncurrent liabilities	<u>18,511</u>	<u>5,752</u>	<u>24,263</u>
Total liabilities	<u>22,138</u>	<u>6,052</u>	<u>28,190</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Gain on debt refundings	194	-	194
Deferred inflows related to pensions	332	6	338
Deferred inflows related to OPEB	838	204	1,042
Total deferred inflows of resources	<u>1,364</u>	<u>210</u>	<u>1,574</u>
<u>NET POSITION</u>			
Net investment in capital assets	23,643	217	23,860
Unrestricted	11,939	(1,982)	9,957
Total net position (deficit)	<u>\$ 35,582</u>	<u>\$ (1,765)</u>	<u>\$ 33,817</u>

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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, 2021
(in thousands)

	Parking Fund	4th R Child Development Fund	Total Other Enterprise Funds
Operating revenues:			
Charges for services:			
User fees and charges	\$ 10,048	\$ 514	\$ 10,562
Rents and concessions	353	-	353
Miscellaneous	2	38	40
Total operating revenues	<u>10,403</u>	<u>552</u>	<u>10,955</u>
Operating expenses:			
Employee services	4,012	2,810	6,822
Services and supplies	5,664	533	6,197
Depreciation/amortization	1,386	79	1,465
Total operating expenses	<u>11,062</u>	<u>3,422</u>	<u>14,484</u>
Operating loss	<u>(659)</u>	<u>(2,870)</u>	<u>(3,529)</u>
Nonoperating revenues (expenses):			
Interest and investment revenue	212	18	230
Revenue from other agencies	-	13	13
Interest expense	(392)	-	(392)
Gain on disposition of capital assets	1	-	1
Total nonoperating revenues (expenses)	<u>(179)</u>	<u>31</u>	<u>(148)</u>
Income before transfers	(838)	(2,839)	(3,677)
Transfers in	10,624	2,576	13,200
Transfers out	<u>(8,717)</u>	<u>-</u>	<u>(8,717)</u>
Changes in net position	1,069	(263)	806
Total net position (deficit), beginning of year	<u>34,513</u>	<u>(1,502)</u>	<u>33,011</u>
Total net position (deficit), end of year	<u>\$ 35,582</u>	<u>\$ (1,765)</u>	<u>\$ 33,817</u>

City of Sacramento
Other Enterprise Funds
Combining Statement of Cash Flows

For the Fiscal Year Ended June 30, 2021
(in thousands)

	Parking Fund	4th R Child Development Fund	Total Other Enterprise Funds
Cash flows from operating activities:			
Receipts from customers and users	\$ 10,950	\$ 668	\$ 11,618
Payments to suppliers	(6,052)	(713)	(6,765)
Payments to employees	(4,242)	(2,708)	(6,950)
Claims and judgments paid	-	(4)	(4)
Net cash provided by (used for) operating activities	<u>656</u>	<u>(2,757)</u>	<u>(2,101)</u>
Cash flows from noncapital financing activities:			
Transfers in from other funds	10,624	2,576	13,200
Transfers out to other funds	(1,160)	-	(1,160)
Intergovernmental revenue received	-	13	13
Net cash provided by noncapital financing activities	<u>9,464</u>	<u>2,589</u>	<u>12,053</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(97)	-	(97)
Proceeds from sale of capital assets	1	-	1
Principal payments on capital debt	(3,763)	-	(3,763)
Interest payments on capital debt	(589)	-	(589)
Transfers out to other funds	(7,557)	-	(7,557)
Net cash used for capital and related financing activities	<u>(12,005)</u>	<u>-</u>	<u>(12,005)</u>
Cash flows from investing activities:			
Collection of interest and investment revenue	<u>212</u>	<u>18</u>	<u>230</u>
Net decrease in cash and cash equivalents	(1,673)	(150)	(1,823)
Cash and cash equivalents, beginning of year	<u>23,161</u>	<u>3,575</u>	<u>26,736</u>
Cash and cash equivalents, end of year	<u>\$ 21,488</u>	<u>\$ 3,425</u>	<u>\$ 24,913</u>

City of Sacramento
Other Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2021
(in thousands)

	<u>Parking Fund</u>	<u>4th R Child Development Fund</u>	<u>Total Other Enterprise Funds</u>
Reconciliation of operating loss to net cash provided by (used for) operating activities:			
Operating loss	\$ (659)	\$ (2,870)	\$ (3,529)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:			
Depreciation/amortization expense	1,386	70	1,456
Amortization of intangible assets	-	9	9
Changes in assets, liabilities, and deferred outflows and inflows of resources:			
Accounts receivable, net	80	(20)	60
Prepaid items	1	-	1
Accounts payable	(389)	(180)	(569)
Accrued payroll	(49)	(43)	(92)
Accrued compensated absences	(3)	-	(3)
Accrued claims and judgments	-	(4)	(4)
Deposits	513	-	513
Unearned revenue	(46)	136	90
Net pension liability and related deferred outflows/inflows of resources	50	197	247
Net OPEB liability and related deferred outflows/inflows of resources	(228)	(52)	(280)
Net cash provided by (used for) operating activities	<u>\$ 656</u>	<u>\$ (2,757)</u>	<u>\$ (2,101)</u>
Noncash investing, capital and financing activities:			
Amortization of bond premium and discount	\$ 147	\$ -	\$ 147
Amortization of bond gain on refunding	25	-	25
Capital asset acquisitions on accounts payable	10	-	10

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WATER FUND

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City of Sacramento
Water Fund
Combining Schedule of Net Position
June 30, 2021
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund	2013 Water Revenue Bonds Fund	2017 Water Revenue Bonds Fund
ASSETS					
Current assets:					
Cash and investments held by City	\$ -	\$ 164,345	\$ -	\$ -	\$ -
Cash and investments held by fiscal agent	-	-	-	4	-
Receivables, net:					
Accounts	1,078	22,720	-	-	-
Intergovernmental	-	-	333	-	-
Interest	-	655	-	-	-
Due from other funds	-	24,151	-	-	-
Inventories	-	772	-	-	-
Prepaid items	-	236	-	-	-
	<u>1,078</u>	<u>212,879</u>	<u>333</u>	<u>4</u>	<u>-</u>
Total current assets					
Noncurrent assets:					
Restricted assets:					
Cash and investments held by City	43,290	22,907	-	4,275	609
Cash and investments held by fiscal agent	-	564	-	2,860	-
Capital assets:					
Land	584	1,170	-	-	-
Buildings and improvements	-	46,974	559	1,344	-
Machinery and equipment	-	17,713	641	153	8,624
Transmission and distribution systems	3,429	642,602	3,295	95,647	53,775
Construction in progress	20,228	28,874	2,163	176,030	5
Software	-	3,491	-	-	-
Easement	-	134	-	-	-
Less: accumulated depreciation/amortization	(330)	(320,067)	(1,295)	(13,589)	(3,589)
	<u>67,201</u>	<u>444,362</u>	<u>5,363</u>	<u>266,720</u>	<u>59,424</u>
Total noncurrent assets					
Total assets	<u>68,279</u>	<u>657,241</u>	<u>5,696</u>	<u>266,724</u>	<u>59,424</u>
DEFERRED OUTFLOWS OF RESOURCES					
Loss on refunding of debt	-	3,933	-	-	-
Deferred outflows related to pensions	-	7,565	-	-	-
Deferred outflows related to OPEB	-	896	-	-	-
	<u>-</u>	<u>12,394</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred outflows of resources					

City of Sacramento
Water Fund
Combining Schedule of Net Position
June 30, 2021
(in thousands)

	Drinking Water SRF Loan Fund	2020 Water Revenue Refunding Bonds Fund	Eliminations	Total Water Fund
ASSETS				
Current assets:				
Cash and investments held by City	\$ -	\$ -	\$ -	\$ 164,345
Cash and investments held by fiscal agent	-	-	-	4
Receivables, net:				
Accounts	-	-	-	23,798
Intergovernmental	-	-	-	333
Interest	-	-	-	655
Due from other funds	-	-	(24,151)	-
Inventories	-	-	-	772
Prepaid items	-	-	-	236
	<u>-</u>	<u>-</u>	<u>(24,151)</u>	<u>190,143</u>
Total current assets				
Noncurrent assets:				
Restricted assets:				
Cash and investments held by City	-	-	-	71,081
Cash and investments held by fiscal agent	-	-	-	3,424
Capital assets:				
Land	-	-	-	1,754
Buildings and improvements	15,947	-	-	64,824
Machinery and equipment	2,278	-	-	29,409
Transmission and distribution systems	59,799	-	-	858,547
Construction in progress	58,309	-	-	285,609
Software	-	-	-	3,491
Easement	-	-	-	134
Less: accumulated depreciation/amortization	(3,005)	-	-	(341,875)
	<u>133,328</u>	<u>-</u>	<u>-</u>	<u>976,398</u>
Total noncurrent assets				
	<u>133,328</u>	<u>-</u>	<u>(24,151)</u>	<u>1,166,541</u>
Total assets				
DEFERRED OUTFLOWS OF RESOURCES				
Loss on refunding of debt	-	4,157	-	8,090
Deferred outflows related to pensions	-	-	-	7,565
Deferred outflows related to OPEB	-	-	-	896
	<u>-</u>	<u>4,157</u>	<u>-</u>	<u>16,551</u>
Total deferred outflows of resources				

City of Sacramento
Water Fund
Combining Schedule of Net Position
June 30, 2021
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund	2013 Water Revenue Bonds Fund	2017 Water Revenue Bonds Fund
<u>LIABILITIES</u>					
Current liabilities:					
Accounts payable	340	4,533	12	-	-
Due to other funds	-	-	302	-	-
Accrued payroll	-	988	-	-	-
Accrued compensated absences	-	196	-	-	-
Interest payable	-	480	-	341	829
Deposits	-	6	-	-	-
Unearned revenue	458	2,404	19	-	-
Accrued claims and judgments	-	84	-	-	-
Revenue and other bonds payable, net	-	7,338	-	5,583	1,245
Notes payable	-	483	-	-	-
Total current liabilities	<u>798</u>	<u>16,512</u>	<u>333</u>	<u>5,924</u>	<u>2,074</u>
Noncurrent liabilities:					
Accrued compensated absences	-	3,254	-	-	-
Water fee credits	317	214	-	-	-
Net OPEB liability	-	12,072	-	-	-
Revenue and other bonds payable, net	-	99,136	-	17,624	57,763
Notes payable	-	5,864	-	-	-
Net pension liability	-	41,073	-	-	-
Total noncurrent liabilities	<u>317</u>	<u>161,613</u>	<u>-</u>	<u>17,624</u>	<u>57,763</u>
Total liabilities	<u>1,115</u>	<u>178,125</u>	<u>333</u>	<u>23,548</u>	<u>59,837</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred inflows related to pensions	-	3,416	-	-	-
Deferred inflows related to OPEB	-	5,122	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>8,538</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET POSITION</u>					
Net investment in capital assets	23,911	314,123	5,363	245,501	416
Restricted for:					
Capital projects	43,253	-	-	-	-
Unrestricted	-	168,849	-	(2,325)	(829)
Total net position	<u>\$ 67,164</u>	<u>\$ 482,972</u>	<u>\$ 5,363</u>	<u>\$ 243,176</u>	<u>\$ (413)</u>

(continued)

City of Sacramento
Water Fund
Combining Schedule of Net Position
June 30, 2021
(in thousands)

	Drinking Water SRF Loan Fund	2020 Water Revenue Refunding Bonds Fund	Eliminations	Total Water Fund
LIABILITIES				
Current liabilities:				
Accounts payable	1,513	-	-	6,398
Due to other funds	23,849	-	(24,151)	-
Accrued payroll	-	-	-	988
Accrued compensated absences	-	-	-	196
Interest payable	848	1,659	-	4,157
Deposits	-	-	-	6
Unearned revenue	-	-	-	2,881
Accrued claims and judgments	-	-	-	84
Revenue and other bonds payable, net	-	2,015	-	16,181
Notes payable	-	-	-	483
Total current liabilities	26,210	3,674	(24,151)	31,374
Noncurrent liabilities:				
Accrued compensated absences	-	-	-	3,254
Water fee credits	-	-	-	531
Net OPEB liability	-	-	-	12,072
Revenue and other bonds payable, net	-	183,485	-	358,008
Notes payable	115,695	-	-	121,559
Net pension liability	-	-	-	41,073
Total noncurrent liabilities	115,695	183,485	-	536,497
Total liabilities	141,905	187,159	(24,151)	567,871
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	-	-	-	3,416
Deferred inflows related to OPEB	-	-	-	5,122
Total deferred inflows of resources	-	-	-	8,538
NET POSITION				
Net investment in capital assets	17,633	-	-	606,947
Restricted for:				
Capital projects	-	-	-	43,253
Unrestricted	(26,210)	(183,002)	-	(43,517)
Total net position	\$ (8,577)	\$ (183,002)	\$ -	\$ 606,683

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

For the Fiscal Year Ended June 30, 2021
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund	2013 Water Revenue Bonds Fund	2017 Water Revenue Bonds Fund
Operating revenues:					
Charges for services:					
User fees and charges	\$ -	\$ 144,023	\$ 7	\$ -	\$ -
Miscellaneous	-	40	-	-	-
Total operating revenues	-	144,063	7	-	-
Operating expenses:					
Employee services	-	39,340	5	-	-
Services and supplies	-	26,519	79	-	-
Depreciation/amortization	126	17,712	199	2,782	1,086
Claims and judgments	-	71	-	-	-
Total operating expenses	126	83,642	283	2,782	1,086
Operating income (loss)	(126)	60,421	(276)	(2,782)	(1,086)
Nonoperating revenues (expenses):					
Interest and investment revenue	436	607	-	47	6
Revenue from other agencies	-	100	85	-	-
Interest expense	-	(4,267)	-	(293)	(2,165)
Amortization of bond prepaid insurance	-	(24)	-	-	-
Total nonoperating revenues (expenses)	436	(3,584)	85	(246)	(2,159)
Income (loss) before capital contributions and transfers	310	56,837	(191)	(3,028)	(3,245)
Capital contributions					
Transfers in	4,658	4,682	-	-	-
Transfers out	-	78	-	5,715	3,378
Transfers out	-	(31,491)	-	-	-
Changes in net position	4,968	30,106	(191)	2,687	133
Total net position (deficit), beginning of year	62,196	452,866	5,554	240,489	(546)
Total net position (deficit), end of year	\$ 67,164	\$ 482,972	\$ 5,363	\$ 243,176	\$ (413)

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

For the Fiscal Year Ended June 30, 2021
(in thousands)

	Drinking Water SRF Loan Fund	2020 Water Revenue Refunding Bonds Fund	Eliminations	Total Water Fund
Operating revenues:				
Charges for services:				
User fees and charges	\$ -	\$ -	\$ -	\$ 144,030
Miscellaneous	-	-	-	40
Total operating revenues	-	-	-	144,070
Operating expenses:				
Employee services	-	-	-	39,345
Services and supplies	7	-	-	26,605
Depreciation/amortization	1,635	-	-	23,540
Claims and judgments	-	-	-	71
Total operating expenses	1,642	-	-	89,561
Operating income (loss)	(1,642)	-	-	54,509
Nonoperating revenues (expenses):				
Interest and investment revenue	(837)	-	-	259
Revenue from other agencies	-	-	-	185
Interest expense	(1,350)	(4,878)	-	(12,953)
Amortization of bond prepaid insurance	-	-	-	(24)
Total nonoperating revenues (expenses)	(2,187)	(4,878)	-	(12,533)
Income (loss) before capital contributions and transfers	(3,829)	(4,878)	-	41,976
Capital contributions				
Transfers in	-	6,969	(16,062)	78
Transfers out	-	-	16,062	(15,429)
Changes in net position	(3,829)	2,091	-	35,965
Total net position (deficit), beginning of year	(4,748)	(185,093)	-	570,718
Total net position (deficit), end of year	\$ (8,577)	\$ (183,002)	\$ -	\$ 606,683

City of Sacramento
Water Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2021
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund	2013 Water Revenue Bonds Fund	2017 Water Revenue Bonds Fund
Cash flows from operating activities:					
Receipts from customers and users	\$ -	\$ 142,965	\$ 7	\$ -	\$ -
Payments to suppliers	-	(27,896)	(78)	-	-
Payments to employees	-	(40,131)	(5)	-	-
Claims and judgments paid	-	(80)	-	-	-
Net cash provided by (used for) operating activities	-	74,858	(76)	-	-
Cash flows from noncapital financing activities:					
Interfund cash flow loans	-	(24,151)	302	-	-
Transfers in from other funds	-	78	-	-	-
Transfers out to other funds	-	(14,907)	-	-	-
Interfund loan repayments	-	72,332	(527)	-	-
Intergovernmental revenue received	-	100	309	-	-
Net cash provided by (used for) noncapital financing activities	-	33,452	84	-	-
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(2,439)	(9,457)	(8)	-	-
Proceeds from issuance of debt	-	-	-	-	-
Principal payments on capital debt	-	(6,911)	-	(4,580)	(869)
Interest payments on capital debt	-	(5,436)	-	(1,137)	(2,508)
Transfers in from other funds	-	-	-	5,715	3,378
Transfers out to other funds	-	(16,584)	-	-	-
Capital contributions received	3,500	(85)	-	-	-
Net cash provided by (used for) capital and related financing activities	1,061	(38,473)	(8)	(2)	1
Cash flows from investing activities:					
Collection of interest and investment revenue	436	626	-	47	6
Net increase (decrease) in cash and cash equivalents	1,497	70,463	-	45	7
Cash and cash equivalents, beginning of year	41,793	117,353	-	7,094	602
Cash and cash equivalents, end of year	\$ 43,290	\$ 187,816	\$ -	\$ 7,139	\$ 609
Reconciliation of cash and cash equivalents to the Statement of Net Position:					
Cash and investments held by City	\$ -	\$ 164,345	\$ -	\$ -	\$ -
Cash and investments held by fiscal agent	-	-	-	4	-
Restricted cash and investments held by City	43,290	22,907	-	4,275	609
Restricted cash and investments held by fiscal agent	-	564	-	2,860	-
Total cash and cash equivalents, end of year	\$ 43,290	\$ 187,816	\$ -	\$ 7,139	\$ 609

City of Sacramento
Water Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2021
(in thousands)

	Drinking Water SRF Loan Fund	2020 Water Revenue Refunding Bonds Fund	Eliminations	Total Water Fund
Cash flows from operating activities:				
Receipts from customers and users	\$ -	\$ -	\$ -	\$ 142,972
Payments to suppliers	(7)	-	-	(27,981)
Payments to employees	-	-	-	(40,136)
Claims and judgments paid	-	-	-	(80)
Net cash provided by (used for) operating activities	(7)	-	-	74,775
Cash flows from noncapital financing activities:				
Interfund cash flow loans	23,849	-	-	-
Transfers in from other funds	-	-	-	78
Transfers out to other funds	-	-	-	(14,907)
Interfund loan repayments	(71,805)	-	-	-
Intergovernmental revenue received	-	-	-	409
Net cash provided by (used for) noncapital financing activities	(47,956)	-	-	(14,420)
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(21,186)	-	-	(33,090)
Proceeds from issuance of debt	70,784	-	-	70,784
Principal payments on capital debt	-	(2,890)	-	(15,250)
Interest payments on capital debt	(798)	(4,091)	-	(13,970)
Transfers in from other funds	-	6,969	(16,062)	-
Transfers out to other funds	-	-	16,062	(522)
Capital contributions received	-	-	-	3,415
Net cash provided by (used for) capital and related financing activities	48,800	(12)	-	11,367
Cash flows from investing activities:				
Collection of interest and investment revenue	(837)	-	-	278
Net increase (decrease) in cash and cash equivalents	-	(12)	-	72,000
Cash and cash equivalents, beginning of year	-	12	-	166,854
Cash and cash equivalents, end of year	\$ -	\$ -	\$ -	\$ 238,854
Reconciliation of cash and cash equivalents to the Statement of Net Position:				
Cash and investments held by City	\$ -	\$ -	\$ -	\$ 164,345
Cash and investments held by fiscal agent	-	-	-	4
Restricted cash and investments held by City	-	-	-	71,081
Restricted cash and investments held by fiscal agent	-	-	-	3,424
Total cash and cash equivalents, end of year	\$ -	\$ -	\$ -	\$ 238,854

City of Sacramento
Water Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2021
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund	2013 Water Revenue Bonds Fund	2017 Water Revenue Bonds Fund
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:					
Operating income (loss)	\$ (126)	\$ 60,421	\$ (276)	\$ (2,782)	\$ (1,086)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation/amortization expense	126	17,423	199	2,782	1,086
Amortization of intangible assets	-	289	-	-	-
Changes in assets, liabilities, and deferred outflows and inflows of resources:					
Accounts receivable, net	-	(298)	-	-	-
Inventories	-	163	-	-	-
Accounts payable	-	(1,540)	1	-	-
Accrued payroll	-	(425)	-	-	-
Accrued compensated absences	-	38	-	-	-
Accrued claims and judgments	-	(9)	-	-	-
Deposits	-	(2)	-	-	-
Unearned revenue	-	(798)	-	-	-
Net pension liability and related deferred outflows/inflows of resources	-	713	-	-	-
Net OPEB liability and related deferred outflows/inflows of resources	-	(1,117)	-	-	-
Net cash provided by (used for) operating activities	<u>\$ -</u>	<u>\$ 74,858</u>	<u>\$ (76)</u>	<u>\$ -</u>	<u>\$ -</u>
Noncash investing, capital and financing activities:					
Contributions of capital assets	\$ -	\$ 2,263	\$ -	\$ -	\$ -
Transfer of capital assets from governmental funds, net of depreciation	-	2,504	-	-	-
Amortization of bond premium and discount	-	1,277	-	768	329
Amortization of bond loss on refunding	-	(327)	-	-	-
Amortization of bond gain on refunding	-	191	-	-	-
Amortization of bond prepaid insurance	-	(24)	-	-	-
Capital asset acquisitions on accounts payable	340	1,697	-	-	-

(continued)

City of Sacramento
Water Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2021
(in thousands)

	Drinking Water SRF Loan Fund	2020 Water Revenue Refunding Bonds Fund	Eliminations	Total Water Fund
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (1,642)	\$ -	\$ -	\$ 54,509
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation/amortization expense	1,635	-	-	23,251
Amortization of intangible assets				289
Changes in assets, liabilities, and deferred outflows and inflows of resources:				
Accounts receivable, net	-	-	-	(298)
Inventories	-	-	-	163
Accounts payable	-	-	-	(1,539)
Accrued payroll	-	-	-	(425)
Accrued compensated absences	-	-	-	38
Accrued claims and judgments	-	-	-	(9)
Deposits	-	-	-	(2)
Unearned revenue	-	-	-	(798)
Net pension liability and related deferred outflows/inflows of resources	-	-	-	713
Net OPEB liability and related deferred outflows/inflows of resources	-	-	-	(1,117)
Net cash provided by (used for) operating activities	<u>\$ (7)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 74,775</u>
Noncash investing, capital and financing activities:				
Contributions of capital assets	\$ -	\$ -	\$ -	\$ 2,263
Transfer of capital assets from governmental funds, net of depreciation	-	-	-	2,504
Amortization of bond premium and discount	-	-	-	2,374
Amortization of bond loss on refunding	-	(196)	-	(523)
Amortization of bond gain on refunding	-	-	-	191
Amortization of bond prepaid insurance	-	-	-	(24)
Capital asset acquisitions on accounts payable	1,513	-	-	3,550

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City of Sacramento
Wastewater Fund
Combining Schedule of Net Position

June 30, 2021
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund	2013 Wastewater Revenue Bonds Fund
<u>ASSETS</u>				
Current assets:				
Cash and investments held by City	\$ -	\$ 50,344	\$ -	\$ -
Cash and investments held by fiscal agent	-	-	-	1
Receivables, net:				
Accounts	1,307	12,171	-	-
Intergovernmental	-	-	293	-
Interest	-	198	-	-
Due from other funds	-	293	-	-
Inventories	-	47	-	-
	<u>1,307</u>	<u>63,053</u>	<u>293</u>	<u>1</u>
Total current assets				
Noncurrent assets:				
Restricted assets:				
Cash and investments held by City	6,353	1,988	-	252
Cash and investments held by fiscal agent	-	-	-	412
Capital assets:				
Land	-	1,138	-	-
Buildings and improvements	20,339	16,198	127	12,041
Machinery and equipment	-	4,900	148	301
Transmission and distribution systems	1,013	164,325	6,679	20,712
Construction in progress	-	28,217	-	725
Software	-	604	-	97
Less: accumulated depreciation/amortization	(175)	(88,784)	(240)	(2,845)
	<u>27,530</u>	<u>128,586</u>	<u>6,714</u>	<u>31,695</u>
Total noncurrent assets				
	<u>28,837</u>	<u>191,639</u>	<u>7,007</u>	<u>31,696</u>
Total assets				
	<u>28,837</u>	<u>191,639</u>	<u>7,007</u>	<u>31,696</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Loss on refunding of debt	-	-	-	-
Deferred outflows related to pensions	-	1,752	-	-
Deferred outflows related to OPEB	-	307	-	-
	<u>-</u>	<u>2,059</u>	<u>-</u>	<u>-</u>
Total deferred outflows of resources				
	<u>-</u>	<u>2,059</u>	<u>-</u>	<u>-</u>

City of Sacramento
Wastewater Fund
Combining Schedule of Net Position

June 30, 2021
(in thousands)

	2019 Wastewater Revenue Bonds Fund	2020 Wastewater Revenue Refunding Bonds Fund	Eliminations	Total Wastewater Fund
<u>ASSETS</u>				
Current assets:				
Cash and investments held by City	\$ -	\$ -	\$ -	\$ 50,344
Cash and investments held by fiscal agent	-	-	-	1
Receivables, net:				
Accounts	-	-	-	13,478
Intergovernmental	-	-	-	293
Interest	-	-	-	198
Due from other funds	-	-	(293)	-
Inventories	-	-	-	47
	<u>-</u>	<u>-</u>	<u>(293)</u>	<u>64,361</u>
Total current assets	-	-	(293)	64,361
Noncurrent assets:				
Restricted assets:				
Cash and investments held by City	12,487	-	-	21,080
Cash and investments held by fiscal agent	-	-	-	412
Capital assets:				
Land	-	-	-	1,138
Buildings and improvements	4,405	-	-	53,110
Machinery and equipment	74	-	-	5,423
Transmission and distribution systems	8,485	-	-	201,214
Construction in progress	4,780	-	-	33,722
Software	2,746	-	-	3,447
Less: accumulated depreciation/amortization	(942)	-	-	(92,986)
	<u>32,035</u>	<u>-</u>	<u>-</u>	<u>226,560</u>
Total noncurrent assets	32,035	-	-	226,560
Total assets	<u>32,035</u>	<u>-</u>	<u>(293)</u>	<u>290,921</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Loss on refunding of debt	-	2,453	-	2,453
Deferred outflows related to pensions	-	-	-	1,752
Deferred outflows related to OPEB	-	-	-	307
	<u>-</u>	<u>2,453</u>	<u>-</u>	<u>4,512</u>
Total deferred outflows of resources	-	2,453	-	4,512

City of Sacramento
Wastewater Fund
Combining Schedule of Net Position

June 30, 2021
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund	2013 Wastewater Revenue Bonds Fund
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	239	14,317	-	190
Due to other funds	-	-	293	-
Accrued payroll	-	241	-	-
Accrued compensated absences	-	59	-	-
Interest payable	-	-	-	38
Unearned revenue	-	-	-	-
Accrued claims and judgments	-	130	-	-
Revenue and other bonds payable, net	-	-	-	768
Total current liabilities	239	14,747	293	996
Noncurrent liabilities:				
Accrued compensated absences	-	822	-	-
Wastewater fee credits	13,912	-	-	-
Net OPEB liability	-	4,568	-	-
Revenue and other bonds payable, net	-	-	-	1,621
Net pension liability	-	13,007	-	-
Total noncurrent liabilities	13,912	18,397	-	1,621
Total liabilities	14,151	33,144	293	2,617
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred inflows related to pensions	-	1,102	-	-
Deferred inflows related to OPEB	-	1,602	-	-
Total deferred inflows of resources	-	2,704	-	-
<u>NET POSITION</u>				
Net investment in capital assets	21,177	126,598	6,714	29,720
Unrestricted	(6,491)	31,252	-	(641)
Total net position (deficit)	\$ 14,686	\$ 157,850	\$ 6,714	\$ 29,079

(continued)

City of Sacramento
Wastewater Fund
Combining Schedule of Net Position

June 30, 2021
(in thousands)

	2019 Wastewater Revenue Bonds Fund	2020 Wastewater Revenue Refunding Bonds Fund	Eliminations	Total Wastewater Fund
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	1,199	-	-	15,945
Due to other funds	-	-	(293)	-
Accrued payroll	-	-	-	241
Accrued compensated absences	-	-	-	59
Interest payable	433	198	-	669
Unearned revenue	-	-	-	-
Accrued claims and judgments	-	-	-	130
Revenue and other bonds payable, net	1,136	335	-	2,239
Total current liabilities	2,768	533	(293)	19,283
Noncurrent liabilities:				
Accrued compensated absences	-	-	-	822
Wastewater fee credits	-	-	-	13,912
Net OPEB liability	-	-	-	4,568
Revenue and other bonds payable, net	30,202	27,105	-	58,928
Net pension liability	-	-	-	13,007
Total noncurrent liabilities	30,202	27,105	-	91,237
Total liabilities	32,970	27,638	(293)	110,520
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred inflows related to pensions	-	-	-	1,102
Deferred inflows related to OPEB	-	-	-	1,602
Total deferred inflows of resources	-	-	-	2,704
<u>NET POSITION</u>				
Net investment in capital assets	697	-	-	184,906
Unrestricted	(1,632)	(25,185)	-	(2,697)
Total net position (deficit)	\$ (935)	\$ (25,185)	\$ -	\$ 182,209

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

For the Fiscal Year Ended June 30, 2021
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund	2013 Wastewater Revenue Bonds Fund
Operating revenues:				
Charges for services:				
User fees and charges	\$ -	\$ 42,637	\$ -	\$ -
Charge to other agencies for contract services	-	1,192	-	-
Total operating revenues	-	43,829	-	-
Operating expenses:				
Employee services	-	10,901	-	-
Services and supplies	-	14,747	33	-
Depreciation/amortization	112	3,308	74	524
Claims and judgments	-	176	-	-
Total operating expenses	112	29,132	107	524
Operating income (loss)	(112)	14,697	(107)	(524)
Nonoperating revenues (expenses):				
Interest and investment revenue	73	(208)	-	305
Revenue from other agencies	-	5	-	-
Interest expense	-	(8)	-	-
Gain on disposition of capital assets	-	22	-	-
Total nonoperating revenues (expenses)	73	(189)	-	305
Income (loss) before capital contributions and transfers	(39)	14,508	(107)	(219)
Capital contributions	4,244	2,296	308	-
Transfers in	-	85	-	26,800
Transfers out	-	(7,757)	-	(580)
Changes in net position	4,205	9,132	201	26,001
Total net position (deficit), beginning of year, as restated	10,481	148,718	6,513	3,078
Total net position (deficit), end of year	\$ 14,686	\$ 157,850	\$ 6,714	\$ 29,079

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

For the Fiscal Year Ended June 30, 2021
(in thousands)

	2019 Wastewater Revenue Bonds Fund	2020 Wastewater Revenue Refunding Bonds Fund	Eliminations	Total Wastewater Fund
Operating revenues:				
Charges for services:				
User fees and charges	\$ -	\$ -	\$ -	\$ 42,637
Charge to other agencies for contract services	-	-	-	1,192
Total operating revenues	-	-	-	43,829
Operating expenses:				
Employee services	40	-	-	10,941
Services and supplies	62	382	-	15,224
Depreciation/amortization	358	-	-	4,376
Claims and judgments	-	-	-	176
Total operating expenses	460	382	-	30,717
Operating income (loss)	(460)	(382)	-	13,112
Nonoperating revenues (expenses):				
Interest and investment revenue	148	-	-	318
Revenue from other agencies	-	-	-	5
Interest expense	(1,002)	(709)	-	(1,719)
Gain on disposition of capital assets	-	-	-	22
Total nonoperating revenues (expenses)	(854)	(709)	-	(1,374)
Income (loss) before capital contributions and transfers	(1,314)	(1,091)	-	11,738
Capital contributions	-	-	-	6,848
Transfers in	1,298	1,505	(29,625)	63
Transfers out	-	(26,000)	29,625	(4,712)
Changes in net position	(16)	(25,586)	-	13,937
Total net position (deficit), beginning of year, as restated	(919)	401	-	168,272
Total net position (deficit), end of year	\$ (935)	\$ (25,185)	\$ -	\$ 182,209

City of Sacramento
Wastewater Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2021
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund	2013 Wastewater Revenue Bonds Fund
Cash flows from operating activities:				
Receipts from customers and users	\$ -	\$ 44,592	\$ -	\$ -
Payments to suppliers	-	(14,674)	(33)	-
Payments to employees	-	(11,438)	-	-
Claims and judgments paid	-	(143)	-	-
Net cash provided by (used for) operating activities	-	18,337	(33)	-
Cash flows from noncapital financing activities:				
Interfund cashflow loans	-	(293)	293	-
Transfers in from other funds	-	63	-	-
Transfers out to other funds	-	(4,667)	-	-
Intergovernmental revenue received	-	5	-	-
Net cash provided by (used for) noncapital financing activities	-	(4,892)	293	-
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(17,463)	(9,753)	6,026	(233)
Proceeds from sale of capital assets	-	22	-	-
Proceeds from issuance of debt	-	-	-	-
Principal payments on capital debt	-	(716)	-	(690)
Interest payments on capital debt	-	(16)	-	(132)
Transfers in from other funds	-	22	-	822
Transfers out to other funds	-	(3,090)	-	(580)
Capital contributions received	2,986	-	389	-
Loan repayments received	-	142	-	-
Transfer of fee credits	14,558	-	(14,558)	-
Net cash provided by (used for) capital and related financing activities	81	(13,389)	(8,143)	(813)
Cash flows from investing activities:				
Collection of interest and investment revenue	73	(54)	-	5
Net increase (decrease) in cash and cash equivalents	154	2	(7,883)	(808)
Cash and cash equivalents, beginning of year	6,199	52,330	7,883	1,473
Cash and cash equivalents, end of year	<u>\$ 6,353</u>	<u>\$ 52,332</u>	<u>\$ -</u>	<u>\$ 665</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:				
Cash and investments held by City	\$ -	\$ 50,344	\$ -	\$ -
Cash and investments held by fiscal agent	-	-	-	1
Restricted cash and investments held by City	6,353	1,988	-	252
Restricted cash and investments held by fiscal agent	-	-	-	412
Total cash and cash equivalents, end of year	<u>\$ 6,353</u>	<u>\$ 52,332</u>	<u>\$ -</u>	<u>\$ 665</u>

City of Sacramento
Wastewater Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2021
(in thousands)

	2019 Wastewater Revenue Bonds Fund	2020 Wastewater Revenue Refunding Bonds Fund	Eliminations	Total Wastewater Fund
Cash flows from operating activities:				
Receipts from customers and users	\$ -	\$ -	\$ -	\$ 44,592
Payments to suppliers	(62)	(382)	-	(15,151)
Payments to employees	(40)	-	-	(11,478)
Claims and judgments paid	-	-	-	(143)
Net cash provided by (used for) operating activities	<u>(102)</u>	<u>(382)</u>	<u>-</u>	<u>17,820</u>
Cash flows from noncapital financing activities:				
Interfund cashflow loans	-	-	-	-
Transfers in from other funds	-	-	-	63
Transfers out to other funds	-	-	-	(4,667)
Intergovernmental revenue received	-	-	-	5
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,599)</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(5,294)	-	-	(26,717)
Proceeds from sale of capital assets	-	-	-	22
Proceeds from issuance of debt	-	3	-	3
Principal payments on capital debt	-	(1,110)	-	(2,516)
Interest payments on capital debt	(1,299)	(395)	-	(1,842)
Transfers in from other funds	1,298	1,505	(3,647)	-
Transfers out to other funds	-	(22)	3,647	(45)
Capital contributions received	-	-	-	3,375
Loan repayments received	-	-	-	142
Transfer of fee credits	-	-	-	-
Net cash provided by (used for) capital and related financing activities	<u>(5,295)</u>	<u>(19)</u>	<u>-</u>	<u>(27,578)</u>
Cash flows from investing activities:				
Collection of interest and investment revenue	148	-	-	172
Net increase (decrease) in cash and cash equivalents	<u>(5,249)</u>	<u>(401)</u>	<u>-</u>	<u>(14,185)</u>
Cash and cash equivalents, beginning of year	<u>17,736</u>	<u>401</u>	<u>-</u>	<u>86,022</u>
Cash and cash equivalents, end of year	<u>\$ 12,487</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,837</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:				
Cash and investments held by City	\$ -	\$ -	\$ -	\$ 50,344
Cash and investments held by fiscal agent	-	-	-	1
Restricted cash and investments held by City	12,487	-	-	21,080
Restricted cash and investments held by fiscal agent	-	-	-	412
Total cash and cash equivalents, end of year	<u>\$ 12,487</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,837</u>

City of Sacramento
Wastewater Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2021
(in thousands)

	Development Impact Fee Fund	User Fee Fund	Grant Projects Fund	2013 Wastewater Revenue Bonds Fund
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (112)	\$ 14,697	\$ (107)	\$ (524)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation/amortization expense	112	3,250	74	505
Amortization of intangible assets	-	58	-	19
Changes in assets, liabilities, and deferred outflows and inflows of resources:				
Accounts receivable, net	-	763	-	-
Inventories	-	4	-	-
Accounts payable	-	69	-	-
Accrued payroll	-	(39)	-	-
Accrued compensated absences	-	179	-	-
Accrued claims and judgments	-	33	-	-
Net pension liability and related deferred outflows/inflows of resources	-	(295)	-	-
Net OPEB liability and related deferred outflows/inflows of resources	-	(382)	-	-
Net cash provided by (used for) operating activities	<u>\$ -</u>	<u>\$ 18,337</u>	<u>\$ (33)</u>	<u>\$ -</u>
Noncash investing, capital and financing activities:				
Contributions of capital assets	\$ -	\$ 1,996	\$ -	\$ -
Transfer of capital assets from governmental funds, net of depreciation	-	300	-	-
Amortization of bond premium and discount	-	-	-	43
Amortization of bond loss on refunding	-	-	-	-
Capital asset acquisitions on accounts payable	239	2,258	-	190
Refunding bond proceeds deposited into escrow account	-	-	-	-
Defeasance of capital debt with bond proceeds in escrow	-	-	-	(25,978)
Transfers in from other funds with escrow funds	-	-	-	25,978
Transfers out to other funds with escrow funds	-	-	-	-

(continued)

City of Sacramento
Wastewater Fund
Combining Schedule of Cash Flows
For the Fiscal Year Ended June 30, 2021
(in thousands)

	2019 Wastewater Revenue Bonds Fund	2020 Wastewater Revenue Refunding Bonds Fund	Eliminations	Total Wastewater Fund
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (460)	\$ (382)	\$ -	\$ 13,112
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation/amortization expense	175	-	-	4,116
Amortization of intangible assets	183	-	-	260
Changes in assets, liabilities, and deferred outflows and inflows of resources:				
Accounts receivable, net	-	-	-	763
Inventories	-	-	-	4
Accounts payable	-	-	-	69
Accrued payroll	-	-	-	(39)
Accrued compensated absences	-	-	-	179
Accrued claims and judgments	-	-	-	33
Net pension liability and related deferred outflows/inflows of resources	-	-	-	(295)
Net OPEB liability and related deferred outflows/inflows of resources	-	-	-	(382)
Net cash provided by (used for) operating activities	<u>\$ (102)</u>	<u>\$ (382)</u>	<u>\$ -</u>	<u>\$ 17,820</u>
Noncash investing, capital and financing activities:				
Contributions of capital assets	\$ -	\$ -	\$ -	\$ 1,996
Transfer of capital assets from governmental funds, net of depreciation	-	-	-	300
Amortization of bond premium and discount	297	-	-	340
Amortization of bond loss on refunding	-	(116)	-	(116)
Capital asset acquisitions on accounts payable	1,199	-	-	3,886
Refunding bond proceeds deposited into escrow account	-	27,967	-	27,967
Defeasance of capital debt with bond proceeds in escrow	-	(1,989)	-	(27,967)
Transfers in from other funds with escrow funds	-	-	(25,978)	-
Transfers out to other funds with escrow funds	-	(25,978)	25,978	-

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COMMUNITY CENTER FUND

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City of Sacramento
Community Center Fund
Combining Schedule of Net Position
June 30, 2021
(in thousands)

	Community Center Fund	2018 TOT Revenue Bonds, Tax-Exempt Fund	2018 TOT Revenue Bonds, Taxable Fund	2019 STID Assessment Revenue Bonds Fund	Total Community Center Fund
ASSETS					
Current assets:					
Cash and investments held by City	\$ 28,835	\$ -	\$ -	\$ -	\$ 28,835
Receivables, net:					
Taxes	2,677	-	-	-	2,677
Accounts	1	-	-	-	1
Interest	202	-	-	-	202
Total current assets	<u>31,715</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,715</u>
Noncurrent assets:					
Restricted assets:					
Cash and investments held by City	-	28,831	15,507	900	45,238
Cash and investments held by fiscal agent	1,938	1,191	390	1,829	5,348
Capital assets:					
Land	20,071	-	-	-	20,071
Buildings and improvements	113,040	-	-	-	113,040
Machinery and equipment	4,913	-	-	-	4,913
Construction in progress	6,559	275,913	7,119	48,754	338,345
Software	46	-	-	-	46
Less: accumulated depreciation/amortization	<u>(71,234)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(71,234)</u>
Total noncurrent assets	<u>75,333</u>	<u>305,935</u>	<u>23,016</u>	<u>51,483</u>	<u>455,767</u>
Total assets	<u>107,048</u>	<u>305,935</u>	<u>23,016</u>	<u>51,483</u>	<u>487,482</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pensions	1,159	-	-	-	1,159
Deferred outflows related to OPEB	295	-	-	-	295
Total deferred outflows of resources	<u>1,454</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,454</u>

City of Sacramento
Community Center Fund
Combining Schedule of Net Position
June 30, 2021
(in thousands)

	Community Center Fund	2018 TOT Revenue Bonds, Tax-Exempt Fund	2018 TOT Revenue Bonds, Taxable Fund	2019 STID Assessment Revenue Bonds Fund	Total Community Center Fund
LIABILITIES					
Current liabilities:					
Accounts payable	1,690	6,317	2,593	-	10,600
Due to other funds	250	-	-	-	250
Accrued payroll	110	-	-	-	110
Accrued compensated absences	41	-	-	-	41
Interest payable	-	1,090	52	155	1,297
Unearned revenue	551	-	-	-	551
Accrued claims and judgments	5	-	-	-	5
Revenue and other bonds payable, net	-	2,300	4,070	1,039	7,409
Total current liabilities	<u>2,647</u>	<u>9,707</u>	<u>6,715</u>	<u>1,194</u>	<u>20,263</u>
Noncurrent liabilities:					
Accrued compensated absences	378	-	-	-	378
Advances from other funds	4,994	-	-	-	4,994
Net OPEB liability	820	-	-	-	820
Revenue and other bonds payable, net	-	288,875	12,610	53,182	354,667
Net pension liability	8,198	-	-	-	8,198
Total noncurrent liabilities	<u>14,390</u>	<u>288,875</u>	<u>12,610</u>	<u>53,182</u>	<u>369,057</u>
Total liabilities	<u>17,037</u>	<u>298,582</u>	<u>19,325</u>	<u>54,376</u>	<u>389,320</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	519	-	-	-	519
Deferred inflows related to OPEB	744	-	-	-	744
Total deferred inflows of resources	<u>1,263</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,263</u>
NET POSITION					
Net investment in capital assets	75,333	11,918	6,507	-	93,758
Unrestricted	14,869	(4,565)	(2,816)	(2,893)	4,595
Total net position (deficit)	<u>\$ 90,202</u>	<u>\$ 7,353</u>	<u>\$ 3,691</u>	<u>\$ (2,893)</u>	<u>\$ 98,353</u>

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

For the Fiscal Year Ended June 30, 2021
(in thousands)

	Community Center Fund	2018 TOT Revenue Bonds, Tax-Exempt Fund	2018 TOT Revenue Bonds, Taxable Fund
Operating revenues:			
Charges for services:			
Rents and concessions	\$ 196	\$ -	\$ -
Operating expenses:			
Employee services	3,866	-	-
Services and supplies	5,200	-	-
Depreciation/amortization	1,488	-	-
Total operating expenses	10,554	-	-
Operating loss	(10,358)	-	-
Nonoperating revenues (expenses):			
Interest and investment revenue	(1,859)	656	190
Transient occupancy taxes	15,545	-	-
Interest expense	(196)	(12,030)	(744)
Total nonoperating revenues (expenses)	13,490	(11,374)	(554)
Income (loss) before transfers	3,132	(11,374)	(554)
Transfers in	168	13,095	4,295
Transfers out	(18,153)	-	-
Changes in net position	(14,853)	1,721	3,741
Total net position (deficit), beginning of year	105,055	5,632	(50)
Total net position (deficit), end of year	\$ 90,202	\$ 7,353	\$ 3,691

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

For the Fiscal Year Ended June 30, 2021
(in thousands)

	2019 STID Assessment Revenue Bonds Fund	Eliminations	Total Community Center Fund
Operating revenues:			
Charges for services:			
Rents and concessions	\$ -	\$ -	\$ 196
Operating expenses:			
Employee services	-	-	3,866
Services and supplies	-	-	5,200
Depreciation/amortization	-	-	1,488
Total operating expenses	-	-	10,554
Operating loss	-	-	(10,358)
Nonoperating revenues (expenses):			
Interest and investment revenue	45	-	(968)
Transient occupancy taxes	-	-	15,545
Interest expense	(1,733)	-	(14,703)
Total nonoperating revenues (expenses)	(1,688)	-	(126)
Income (loss) before transfers	(1,688)	-	(10,484)
Transfers in	2,740	(17,390)	2,908
Transfers out	-	17,390	(763)
Changes in net position	1,052	-	(8,339)
Total net position (deficit), beginning of year	(3,945)	-	106,692
Total net position (deficit), end of year	\$ (2,893)	\$ -	\$ 98,353

City of Sacramento
Community Center Fund
Combining Schedule of Cash Flows

For the Fiscal Year Ended June 30, 2021
(in thousands)

	Community Center Fund	2018 TOT Revenue Bonds, Tax-Exempt Fund	2018 TOT Revenue Bonds, Taxable Fund
Cash flows from operating activities:			
Receipts from customers and users	\$ 139	\$ -	\$ -
Payments to suppliers	(3,817)	-	-
Payments to employees	(4,174)	-	-
Claims and judgments paid	(2)	-	-
Net cash used for operating activities	(7,854)	-	-
Cash flows from noncapital financing activities:			
Transient occupancy taxes	14,085	-	-
Transfers in from other funds	2	-	-
Transfers out to other funds	(763)	-	-
Interfund loan repayments	(250)	-	-
Net cash provided by noncapital financing activities	13,074	-	-
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	7,082	(121,011)	(4,746)
Principal payments on capital debt	(7,691)	(1,150)	(3,930)
Interest payments on capital debt	(208)	(13,135)	(755)
Transfers in from other funds	166	13,095	4,295
Transfers out to other funds	(17,390)	-	-
Net cash used for capital and related financing activities	(18,041)	(122,201)	(5,136)
Cash flows from investing activities:			
Collection of interest and investment revenue	(1,086)	656	190
Net decrease in cash and cash equivalents	(13,907)	(121,545)	(4,946)
Cash and cash equivalents, beginning of year	44,680	151,567	20,843
Cash and cash equivalents, end of year	\$ 30,773	\$ 30,022	\$ 15,897
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Cash and investments held by City	\$ 28,835	\$ -	\$ -
Restricted cash and investments held by City	-	28,831	15,507
Restricted cash and investments held by fiscal agent	1,938	1,191	390
Total cash and cash equivalents, end of year	\$ 30,773	\$ 30,022	\$ 15,897

City of Sacramento
Community Center Fund
Combining Schedule of Cash Flows

For the Fiscal Year Ended June 30, 2021
(in thousands)

	2019 STID Assessment Revenue Bonds Fund	Eliminations	Total Community Center Fund
Cash flows from operating activities:			
Receipts from customers and users	\$ -	\$ -	\$ 139
Payments to suppliers	-	-	(3,817)
Payments to employees	-	-	(4,174)
Claims and judgments paid	-	-	(2)
Net cash used for operating activities	-	-	(7,854)
Cash flows from noncapital financing activities:			
Transient occupancy taxes	-	-	14,085
Transfers in from other funds	-	-	2
Transfers out to other funds	-	-	(763)
Interfund loan repayments	-	-	(250)
Net cash provided by noncapital financing activities	-	-	13,074
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(31,104)	-	(149,779)
Principal payments on capital debt	(845)	-	(13,616)
Interest payments on capital debt	(1,895)	-	(15,993)
Transfers in from other funds	2,740	(17,390)	2,906
Transfers out to other funds	-	17,390	-
Net cash used for capital and related financing activities	(31,104)	-	(176,482)
Cash flows from investing activities:			
Collection of interest and investment revenue	45	-	(195)
Net decrease in cash and cash equivalents	(31,059)	-	(171,457)
Cash and cash equivalents, beginning of year	33,788	-	250,878
Cash and cash equivalents, end of year	\$ 2,729	\$ -	\$ 79,421
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Cash and investments held by City	\$ -	\$ -	\$ 28,835
Restricted cash and investments held by City	900	-	45,238
Restricted cash and investments held by fiscal agent	1,829	-	5,348
Total cash and cash equivalents, end of year	\$ 2,729	\$ -	\$ 79,421

(continued)

City of Sacramento
Community Center Fund
Combining Schedule of Cash Flows

For the Fiscal Year Ended June 30, 2021
(in thousands)

	Community Center Fund	2018 TOT Revenue Bonds, Tax-Exempt Fund	2018 TOT Revenue Bonds, Taxable Fund
Reconciliation of operating loss to net cash used for operating activities:			
Operating loss	\$ (10,358)	\$ -	\$ -
Adjustments to reconcile operating loss to net cash used for operating activities:			
Depreciation/amortization expense	1,488	-	-
Changes in assets, liabilities, and deferred outflows and inflows of resources:			
Accounts receivable, net	51	-	-
Accounts payable	1,383	-	-
Accrued payroll	(46)	-	-
Accrued compensated absences	37	-	-
Accrued claims and judgments	(2)	-	-
Unearned revenue	(108)	-	-
Net pension liability and related deferred outflows/inflows of resources	62	-	-
Net OPEB liability and related deferred outflows/inflows of resources	(361)	-	-
Net cash used for operating activities	<u>\$ (7,854)</u>	<u>\$ -</u>	<u>\$ -</u>
Noncash investing, capital and financing activities:			
Amortization of bond premium and discount	\$ (4)	\$ 1,100	\$ -
Capital asset acquisitions on accounts payable	(25)	(6,317)	2,593

(continued)

City of Sacramento
Community Center Fund
Combining Schedule of Cash Flows

For the Fiscal Year Ended June 30, 2021
(in thousands)

	2019 STID Assessment Revenue Bonds Fund	Eliminations	Total Community Center Fund
Reconciliation of operating loss to net cash used for operating activities:			
Operating loss	\$ -	\$ -	\$ (10,358)
Adjustments to reconcile operating loss to net cash used for operating activities:			
Depreciation/amortization expense	-	-	1,488
Changes in assets, liabilities, and deferred outflows and inflows of resources:			
Accounts receivable, net	-	-	51
Accounts payable	-	-	1,383
Accrued payroll	-	-	(46)
Accrued compensated absences	-	-	37
Accrued claims and judgments	-	-	(2)
Unearned revenue	-	-	(108)
Net pension liability and related deferred outflows/inflows of resources	-	-	62
Net OPEB liability and related deferred outflows/inflows of resources	-	-	(361)
Net cash used for operating activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,854)</u>
Noncash investing, capital and financing activities:			
Amortization of bond premium and discount	\$ 159	\$ -	\$ 1,255
Capital asset acquisitions on accounts payable	-	-	(3,749)

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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:

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.

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, 2021

(in thousands)

	Fleet Management Fund	Risk Management Fund	Total Internal Service Funds
<u>ASSETS</u>			
Current assets:			
Cash and investments held by City	\$ 22,636	\$ 110,387	\$ 133,023
Cash and investments held by fiscal agent	-	432	432
Receivables, net:			
Accounts	89	85	174
Interest	-	256	256
Due from other funds	-	3,705	3,705
Prepaid items	3,347	399	3,746
	<u>26,072</u>	<u>115,264</u>	<u>141,336</u>
Total current assets			
Noncurrent assets:			
Advances to other funds	-	13,349	13,349
Capital assets:			
Buildings and improvements	7,454	-	7,454
Machinery and equipment	543	-	543
Vehicles	193,039	-	193,039
Construction in progress	81	-	81
Software	256	-	256
Less: accumulated depreciation/amortization	(112,005)	-	(112,005)
	<u>89,368</u>	<u>13,349</u>	<u>102,717</u>
Total noncurrent assets			
Total assets	<u>115,440</u>	<u>128,613</u>	<u>244,053</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows related to pensions	1,070	739	1,809
Deferred outflows related to OPEB	278	98	376
	<u>1,348</u>	<u>837</u>	<u>2,185</u>
Total deferred outflows of resources			

City of Sacramento
Internal Service Funds
Combining Statement of Net Position
June 30, 2021
(in thousands)

	Fleet Management Fund	Risk Management Fund	Total Internal Service Funds
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	2,787	600	3,387
Accrued payroll	238	110	348
Accrued compensated absences	36	32	68
Interest payable	2	-	2
Deposits	-	5	5
Unearned revenue	-	258	258
Accrued claims and judgments	43	24,286	24,329
Revenue and other bonds payable, net	5	-	5
	<u>3,111</u>	<u>25,291</u>	<u>28,402</u>
Total current liabilities			
Noncurrent liabilities:			
Accrued compensated absences	645	443	1,088
Net OPEB liability	4,846	664	5,510
Accrued claims and judgments	-	78,124	78,124
Revenue and other bonds payable, net	411	-	411
Net pension liability	10,076	5,933	16,009
	<u>15,978</u>	<u>85,164</u>	<u>101,142</u>
Total noncurrent liabilities			
Total liabilities	<u>19,089</u>	<u>110,455</u>	<u>129,544</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows related to pensions	4	1	5
Deferred inflows related to OPEB	1,663	337	2,000
	<u>1,667</u>	<u>338</u>	<u>2,005</u>
Total deferred inflows of resources			
<u>NET POSITION</u>			
Net investment in capital assets	88,952	-	88,952
Unrestricted	7,080	18,657	25,737
	<u>\$ 96,032</u>	<u>\$ 18,657</u>	<u>\$ 114,689</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, 2021
(in thousands)

	Fleet Management Fund	Risk Management Fund	Total Internal Service Funds
Operating revenues:			
Charges for services:			
User fees and charges	\$ 56,091	\$ 47,173	\$ 103,264
Miscellaneous	591	-	591
Total operating revenues	<u>56,682</u>	<u>47,173</u>	<u>103,855</u>
Operating expenses:			
Employee services	7,850	4,700	12,550
Services and supplies	22,575	7,347	29,922
Depreciation/amortization	13,637	-	13,637
Insurance premiums	-	9,177	9,177
Claims and judgments	94	25,781	25,875
Total operating expenses	<u>44,156</u>	<u>47,005</u>	<u>91,161</u>
Operating income	<u>12,526</u>	<u>168</u>	<u>12,694</u>
Nonoperating revenues (expenses):			
Interest and investment revenue	222	576	798
Revenue from other agencies	-	20	20
Insurance and other claim recoveries	-	653	653
Interest expense	(16)	-	(16)
Gain on disposition of capital assets	146	-	146
Total nonoperating revenues (expenses)	<u>352</u>	<u>1,249</u>	<u>1,601</u>
Income before transfers	12,878	1,417	14,295
Transfers in	22	-	22
Transfers out	(2,012)	(2)	(2,014)
Changes in net position	10,888	1,415	12,303
Total net position, beginning of year	<u>85,144</u>	<u>17,242</u>	<u>102,386</u>
Total net position, end of year	<u>\$ 96,032</u>	<u>\$ 18,657</u>	<u>\$ 114,689</u>

City of Sacramento
Internal Service Funds
Combining Statement of Cash Flows

For the Fiscal Year Ended June 30, 2021
(in thousands)

	Fleet Management Fund	Risk Management Fund	Total Internal Service Funds
Cash flows from operating activities:			
Receipts from interfund services provided	\$ 56,651	\$ 120,133	\$ 176,784
Payments to suppliers	(23,260)	(90,285)	(113,545)
Payments to employees	(7,865)	(4,541)	(12,406)
Claims and judgments paid	(75)	(15,282)	(15,357)
Net cash provided by operating activities	<u>25,451</u>	<u>10,025</u>	<u>35,476</u>
Cash flows from noncapital financing activities:			
Transfers out to other funds	(1,966)	(2)	(1,968)
Collections on interfund loans	-	3,569	3,569
Loans made to other funds	-	(3,455)	(3,455)
Intergovernmental revenue received	-	20	20
Claim and judgement recoveries	-	9,581	9,581
Net cash provided by (used for) noncapital financing activities	<u>(1,966)</u>	<u>9,713</u>	<u>7,747</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(22,673)	-	(22,673)
Proceeds from sale of capital assets	602	-	602
Interest payments on capital debt	(22)	-	(22)
Transfers in from other funds	22	-	22
Transfers out to other funds	(46)	-	(46)
Net cash used for capital and related financing activities	<u>(22,117)</u>	<u>-</u>	<u>(22,117)</u>
Cash flows from investing activities:			
Collection of interest and investment revenue	<u>222</u>	<u>647</u>	<u>869</u>
Net increase in cash and cash equivalents	1,590	20,385	21,975
Cash and cash equivalents, beginning of year	<u>21,046</u>	<u>90,434</u>	<u>111,480</u>
Cash and cash equivalents, end of year	<u>\$ 22,636</u>	<u>\$ 110,819</u>	<u>\$ 133,455</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:			
Cash and investments held by City	\$ 22,636	\$ 110,387	\$ 133,023
Cash and investments held by fiscal agent	-	432	432
Total cash and cash equivalents, end of year	<u>\$ 22,636</u>	<u>\$ 110,819</u>	<u>\$ 133,455</u>

City of Sacramento
Internal Service Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2021
(in thousands)

	Fleet Management Fund	Risk Management Fund	Total Internal Service Funds
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 12,526	\$ 168	\$ 12,694
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation/amortization expense	13,637	-	13,637
Changes in assets, liabilities, and deferred outflows and inflows of resources:			
Accounts receivable, net	(31)	-	(31)
Prepaid items	8	(399)	(391)
Accounts payable	(693)	(333)	(1,026)
Accrued payroll	(51)	(27)	(78)
Accrued compensated absences	69	97	166
Accrued claims and judgments	19	10,499	10,518
Deposits	-	2	2
Unearned revenue	-	(71)	(71)
Net pension liability and related deferred outflows/inflows of resources	316	211	527
Net OPEB liability and related deferred outflows/inflows of resources	(349)	(122)	(471)
Net cash provided by operating activities	<u>\$ 25,451</u>	<u>\$ 10,025</u>	<u>\$ 35,476</u>
Noncash investing, capital and financing activities:			
Amortization of bond premium, discount	\$ 5	\$ -	\$ 5
Increase in prepaid items for capital assets	812	-	812
Capital asset acquisitions on accounts payable	206	-	206

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CUSTODIAL FUNDS

Custodial funds account for assets held by the City as a custodian for individuals, private organizations, and other governments.

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

INDIVIDUAL INVESTMENT ACCOUNTS FUND is used to account for assets and liabilities, held for entities external to the City, which are not invested in the City Sponsored Investment Pool.

ASSESSMENT DISTRICTS & COMMUNITY FACILITIES DISTRICTS FUND is used to account for special tax assessments, debt service payments, and the payment of other costs related to bonds issued under the Improvement Bond Act of 1915 and Mello-Roos districts within the City.

City of Sacramento
Custodial Funds
Combining Statement of Net Position

June 30, 2021
(in thousands)

	<u>Investment Pool</u>	<u>Individual Investment Accounts</u>	<u>Assessment Districts & Community Facilities Districts</u>	<u>Total Custodial Funds</u>
<u>ASSETS</u>				
Cash and investments held by City	\$ 122,161	\$ 169,561	\$ 14,053	\$ 305,775
Cash and investments held by fiscal agent	-	-	1,706	1,706
Receivables, net:				
Interest	249	226	-	475
Special assessments	-	-	177	177
Restricted assets:				
Cash and investments held by City	-	-	3,771	3,771
Cash and investments held by fiscal agent	-	-	21,853	21,853
Total assets	<u>122,410</u>	<u>169,787</u>	<u>41,560</u>	<u>333,757</u>
<u>LIABILITIES</u>				
Accounts payable	-	-	7	7
Due to bondholders	-	-	41,553	41,553
Total liabilities	<u>-</u>	<u>-</u>	<u>41,560</u>	<u>41,560</u>
<u>NET POSITION</u>				
Held for external pool participants	<u>\$ 122,410</u>	<u>\$ 169,787</u>	<u>\$ -</u>	<u>\$ 292,197</u>

City of Sacramento
Custodial Funds
Combining Statement of Changes in Net Position

For the Fiscal Year Ended June 30, 2021
(in thousands)

	<u>Investment Pool</u>	<u>Individual Investment Accounts</u>	<u>Assessment Districts & Community Facilities Districts</u>	<u>Total Custodial Funds</u>
Additions:				
Deposits	\$ 112,428	\$ 53,353	\$ -	\$ 165,781
Special assessments	-	-	17,802	17,802
Fines, forfeits, and penalties	-	-	6	6
Capital contributions	-	-	12,186	12,186
Miscellaneous	-	-	9	9
From investment activities:				
Net depreciation in fair value of investments	(840)	(876)	-	(1,716)
Interest	1,357	1,251	173	2,781
Total investment earnings	517	375	173	1,065
Less investment expenses:				
Banking, interest, and fiscal agent expenses	274	-	-	274
Net income from investment activities	243	375	173	791
Total additions	112,671	53,728	30,176	196,575
Deductions:				
Withdrawals	65,225	549	-	65,774
Paid to bondholders	-	-	27,980	27,980
Administrative expenses	-	-	2,177	2,177
Developer reimbursements	-	-	19	19
Total deductions	65,225	549	30,176	95,950
Changes in net position	47,446	53,179	-	100,625
Net position, beginning of year	74,964	116,608	-	191,572
Net position, end of year	<u>\$ 122,410</u>	<u>\$ 169,787</u>	<u>\$ -</u>	<u>\$ 292,197</u>

Statistical Section

Statistical Section

This part of the City's Annual Comprehensive 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 condition 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)}
Last Ten Fiscal Years

(accrual basis accounting, in thousands)

	Fiscal Year				
	2012	2013	2014	2015	2016
Governmental activities					
Net investment in capital assets	\$ 1,367,540	\$ 1,369,377	\$ 1,393,447	\$ 1,445,139	\$ 1,497,796
Restricted for:					
Capital projects	149,904	131,822	116,271	116,910	80,054
Debt service	1,101	641	652	665	1,203
Public works programs	18,103	16,756	16,462	19,027	20,521
Economic development programs	-	23,979	22,493	17,280	16,888
Ambulance services	-	-	-	1,085	1,085
Other programs	23,274	21,087	22,315	26,735	28,381
Trust and endowments:					
Expendable	6,870	7,225	7,928	7,789	8,008
Nonexpendable	878	878	878	878	878
Unrestricted	6,128	1,837	30,170	(591,896)	(581,697)
Total governmental activities net position	<u>\$ 1,573,798</u>	<u>\$ 1,573,602</u>	<u>\$ 1,610,616</u>	<u>\$ 1,043,612</u>	<u>\$ 1,073,117</u>
Business-type activities					
Net investment in capital assets	\$ 705,527	\$ 720,039	\$ 733,980	\$ 748,312	\$ 785,353
Restricted for:					
Capital projects	33,209	33,168	33,255	33,914	40,772
Reserve	-	-	-	-	-
Other programs	530	349	1,215	1,730	2,203
Unrestricted	123,265	140,385	177,814	107,305	123,842
Total business-type activities net position	<u>\$ 862,531</u>	<u>\$ 893,941</u>	<u>\$ 946,264</u>	<u>\$ 891,261</u>	<u>\$ 952,170</u>
Primary government					
Net investment in capital assets	\$ 2,073,067	\$ 2,089,416	\$ 2,127,427	\$ 2,193,451	\$ 2,283,149
Restricted for:					
Capital projects	183,113	164,990	149,526	150,824	120,826
Debt service	1,101	641	652	665	1,203
Public works programs	18,103	16,756	16,462	19,027	20,521
Economic development programs	-	23,979	22,493	17,280	16,888
Ambulance services	-	-	-	1,085	1,085
Other programs	23,804	21,436	23,530	28,465	30,584
Trust and endowments:					
Expendable	6,870	7,225	7,928	7,789	8,008
Nonexpendable	878	878	878	878	878
Unrestricted	129,393	142,222	207,984	(484,591)	(457,855)
Total primary government net position	<u>\$ 2,436,329</u>	<u>\$ 2,467,543</u>	<u>\$ 2,556,880</u>	<u>\$ 1,934,873</u>	<u>\$ 2,025,287</u>

- Notes: (1) 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.
- (2) Net position for governmental activities for all fiscal years prior to 2014 have been restated to remove the Cal EPA building and land.
- (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) Fiscal year 2015 beginning net position was restated due to the implementation of GASB 68 and GASB 71.
- (5) Fiscal year 2017 beginning net position was restated due to the implementation of GASB 75.

Source: City of Sacramento Annual Comprehensive Financial Reports

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

(accrual basis accounting, in thousands)

	Fiscal Year				
	2017	2018	2019	2020	2021
Governmental activities					
Net investment in capital assets	\$ 1,296,493	\$ 1,335,576	\$ 1,267,837	\$ 1,318,817	\$ 1,360,966
Restricted for:					
Capital projects	119,131	136,831	166,705	191,919	214,188
Debt service	872	606	686	537	401
Public works programs	18,866	24,750	27,792	29,972	29,598
Economic development programs	16,251	44,920	48,878	46,954	49,537
Ambulance services	-	-	-	-	-
Other programs	23,645	26,786	39,380	60,466	61,142
Trust and endowments:					
Expendable	8,545	8,656	9,197	8,547	9,934
Nonexpendable	878	878	878	878	878
Unrestricted	(443,845)	(667,254)	(606,222)	(612,827)	(596,900)
Total governmental activities net position	<u>\$ 1,040,836</u>	<u>\$ 911,749</u>	<u>\$ 955,131</u>	<u>\$ 1,045,263</u>	<u>\$ 1,129,744</u>
Business-type activities					
Net investment in capital assets	\$ 807,004	\$ 869,183	\$ 925,128	\$ 1,166,785	\$ 1,167,408
Restricted for:					
Capital projects	39,155	38,473	40,411	47,256	43,253
Reserve	-	-	-	401	-
Other programs	2,607	2,633	2,963	2,929	2,200
Unrestricted	150,049	124,001	138,742	(44,579)	1,279
Total business-type activities net position	<u>\$ 998,815</u>	<u>\$ 1,034,290</u>	<u>\$ 1,107,244</u>	<u>\$ 1,172,792</u>	<u>\$ 1,214,140</u>
Primary government					
Net investment in capital assets	\$ 2,103,497	\$ 2,204,759	\$ 2,192,965	\$ 2,485,602	\$ 2,528,374
Restricted for:					
Capital projects	158,286	175,304	207,116	239,175	257,441
Debt service	872	606	686	938	401
Public works programs	18,866	24,750	27,792	29,972	29,598
Economic development programs	16,251	44,920	48,878	46,954	49,537
Ambulance services	-	-	-	-	-
Other programs	26,252	29,419	42,343	63,395	63,342
Trust and endowments:					
Expendable	8,545	8,656	9,197	8,547	9,934
Nonexpendable	878	878	878	878	878
Unrestricted	(293,796)	(543,253)	(467,480)	(657,406)	(595,621)
Total primary government net position	<u>\$ 2,039,651</u>	<u>\$ 1,946,039</u>	<u>\$ 2,062,375</u>	<u>\$ 2,218,055</u>	<u>\$ 2,343,884</u>

- Notes: (1) 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.
(2) Net position for governmental activities for all fiscal years prior to 2014 have been restated to remove the Cal EPA building and land.
(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) Fiscal year 2015 beginning net position was restated due to the implementation of GASB 68 and GASB 71.
(5) Fiscal year 2017 beginning net position was restated due to the implementation of GASB 75.

Source: City of Sacramento Annual Comprehensive Financial Reports

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

(accrual basis of accounting, in thousands)

	Fiscal Year				
	2012	2013	2014	2015	2016
Expenses					
<i>Governmental activities</i>					
General government	\$ 40,846	\$ 36,681	\$ 41,190	\$ 52,474	\$ 59,037
Police	153,392	157,432	157,248	166,797	164,750
Fire	116,418	117,451	125,461	127,561	137,859
Public works ⁽⁴⁾	-	126,636	103,632	103,088	121,184
General services ⁽³⁾	23,083	15,343	13,807	15,619	-
Transportation ⁽⁴⁾	98,384	-	-	-	-
Economic development ⁽⁵⁾	9,704	10,468	17,080	11,075	13,049
Convention and cultural services	19,857	19,537	17,916	19,441	24,139
Youth, parks, and community enrichment	45,448	48,457	52,336	56,573	53,911
Community development	24,286	29,253	26,484	30,221	36,251
Library	13,301	13,753	13,720	15,629	16,294
Interest on long-term debt	23,583	22,420	22,178	29,046	30,404
Total governmental activities expenses	<u>568,302</u>	<u>597,431</u>	<u>591,052</u>	<u>627,524</u>	<u>656,878</u>
<i>Business-type activities</i>					
Water	67,335	68,643	66,627	69,428	73,150
Wastewater	20,491	22,776	25,673	25,432	25,348
Storm drainage	37,692	36,755	36,664	41,830	40,971
Solid waste	53,205	49,794	49,014	47,149	47,703
Community center	18,125	17,251	17,204	17,690	17,277
Parking	15,732	15,358	15,238	13,704	14,451
Child development	5,885	6,116	6,297	6,151	5,519
Marina	2,008	-	-	-	-
Total business-type activities expenses	<u>220,473</u>	<u>216,693</u>	<u>216,717</u>	<u>221,384</u>	<u>224,419</u>
Total primary government expenses	<u>\$ 788,775</u>	<u>\$ 814,124</u>	<u>\$ 807,769</u>	<u>\$ 848,908</u>	<u>\$ 881,297</u>

Notes: (1) The expenses reported in the governmental activities and business-type activities are net of indirect charges between the departments.

(2) 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.

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

(4) The Department of Transportation was renamed as Department of Public Works in FY13.

(5) The Economic Development function was reallocated to the General Government function in FY18.

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

(accrual basis of accounting, in thousands)

	Fiscal Year				
	2017	2018	2019	2020	2021
Expenses					
<i>Governmental activities</i>					
General government	\$ 59,033	\$ 100,625	\$ 116,282	\$ 152,791	\$ 259,529
Police	176,955	199,746	203,303	233,686	233,883
Fire	146,693	160,216	169,819	179,626	191,814
Public works ⁽⁴⁾	106,328	122,340	132,958	125,025	115,565
General services ⁽³⁾	-	-	-	-	-
Transportation ⁽⁴⁾	-	-	-	-	-
Economic development ⁽⁵⁾	13,397	-	-	-	-
Convention and cultural services	20,380	21,066	30,907	20,615	18,398
Youth, parks, and community enrichment	50,156	55,518	61,225	66,885	57,345
Community development	41,726	50,879	60,466	74,398	71,473
Library	16,122	17,376	18,687	19,822	22,173
Interest on long-term debt	27,626	23,144	23,454	24,341	20,635
Total governmental activities expenses	<u>658,416</u>	<u>750,910</u>	<u>817,101</u>	<u>897,189</u>	<u>990,815</u>
<i>Business-type activities</i>					
Water	80,176	87,745	99,029	104,542	102,538
Wastewater	29,075	28,251	33,059	32,461	32,436
Storm drainage	40,479	41,199	40,186	44,786	40,942
Solid waste	51,693	56,698	57,408	59,176	64,060
Community center	16,607	17,795	27,058	31,298	25,257
Parking	11,955	13,475	14,354	13,997	11,454
Child development	5,743	6,589	6,766	5,594	3,422
Marina	-	-	-	-	-
Total business-type activities expenses	<u>235,728</u>	<u>251,752</u>	<u>277,860</u>	<u>291,854</u>	<u>280,109</u>
Total primary government expenses	<u>\$ 894,144</u>	<u>\$ 1,002,662</u>	<u>\$ 1,094,961</u>	<u>\$ 1,189,043</u>	<u>\$ 1,270,924</u>

Notes: (1) The expenses reported in the governmental activities and business-type activities are net of indirect charges between the departments.

(2) 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.

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

(4) The Department of Transportation was renamed as Department of Public Works in FY13.

(5) The Economic Development function was reallocated to the General Government function in FY18.

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

(accrual basis of accounting, in thousands)

	Fiscal Year				
	2012	2013	2014	2015	2016
Program Revenues					
<i>Governmental activities</i>					
Charge for services					
General government	\$ 5,608	\$ 6,924	\$ 7,270	\$ 6,436	\$ 7,103
Police	9,714	9,693	10,804	11,583	11,022
Fire	21,643	24,288	26,155	32,264	31,204
Public works ⁽⁴⁾	-	28,321	30,337	32,840	37,179
General services ⁽³⁾	10,965	3,175	1,756	1,251	-
Transportation ⁽⁴⁾	28,309	-	-	-	-
Economic development ⁽⁵⁾	8,800	8,685	8,205	7,659	7,889
Convention and cultural services	7,985	8,817	9,311	9,303	10,085
Youth, parks, and community enrichment	11,579	10,604	13,359	15,004	13,792
Community development	15,459	15,423	17,141	25,069	27,025
Library	-	33	59	29	-
Total charge for services	<u>120,062</u>	<u>115,963</u>	<u>124,397</u>	<u>141,438</u>	<u>145,299</u>
Operating grants and contributions	54,287	81,822	47,430	52,306	35,442
Capital grants and contributions	112,247	69,323	89,539	115,354	122,528
Total governmental activities program revenues	<u>286,596</u>	<u>267,108</u>	<u>261,366</u>	<u>309,098</u>	<u>303,269</u>
<i>Business-type activities</i>					
Charge for services					
Water	79,809	88,754	94,382	100,523	98,533
Wastewater	21,513	25,134	28,493	32,223	31,532
Storm drainage	34,545	35,682	38,049	37,646	40,166
Solid waste	64,055	60,295	58,561	59,095	60,253
Community center	7,521	7,130	7,718	8,748	8,782
Parking	18,769	18,823	18,643	16,595	17,646
Child development	5,232	5,426	5,632	5,553	6,073
Marina	1,359	-	-	-	-
Total charge for services	<u>232,803</u>	<u>241,244</u>	<u>251,478</u>	<u>260,383</u>	<u>262,985</u>
Operating grants and contributions	3,744	1,095	1,963	2,142	3,435
Capital grants and contributions	5,289	7,480	4,403	7,292	7,433
Total business-type activities program revenues	<u>241,836</u>	<u>249,819</u>	<u>257,844</u>	<u>269,817</u>	<u>273,853</u>
Total primary government program revenues	<u>\$ 528,432</u>	<u>\$ 516,927</u>	<u>\$ 519,210</u>	<u>\$ 578,915</u>	<u>\$ 577,122</u>
Net (Expense) Revenue					
Governmental activities	\$ (281,706)	\$ (330,323)	\$ 261,366	\$ (318,426)	\$ (353,609)
Business-type activities	<u>21,363</u>	<u>33,126</u>	<u>208,830</u>	<u>48,433</u>	<u>49,434</u>
Total primary government net expenses	<u>\$ (260,343)</u>	<u>\$ (297,197)</u>	<u>\$ 470,196</u>	<u>\$ (269,993)</u>	<u>\$ (304,175)</u>

Notes: (1) The expenses reported in the governmental activities and business-type activities are net of indirect charges between the departments.

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

(4) The Department of Transportation was renamed as Department of Public Works in FY13.

(5) The Economic Development function was reallocated to the General Government function in FY18.

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

(accrual basis of accounting, in thousands)

	Fiscal Year				
	2017	2018	2019	2020	2021
Program Revenues					
<i>Governmental activities</i>					
Charge for services					
General government	\$ 6,573	\$ 19,438	\$ 22,908	\$ 26,527	\$ 28,247
Police	13,068	12,586	14,550	13,490	10,468
Fire	30,897	42,898	42,866	44,851	46,867
Public works ⁽⁴⁾	42,897	50,159	52,901	50,216	43,245
General services ⁽³⁾	-	-	-	-	-
Transportation ⁽⁴⁾	-	-	-	-	-
Economic development ⁽⁵⁾	9,140	-	-	-	-
Convention and cultural services	10,860	12,456	12,622	10,385	8,823
Youth, parks, and community enrichment	12,954	13,065	13,365	12,429	8,952
Community development	32,428	36,019	38,218	38,646	34,287
Library	-	-	-	-	-
Total charge for services	<u>158,817</u>	<u>186,621</u>	<u>197,430</u>	<u>196,544</u>	<u>180,889</u>
Operating grants and contributions	36,938	41,811	55,535	75,897	185,641
Capital grants and contributions	86,856	101,476	98,903	160,395	141,760
Total governmental activities program revenues	<u>282,611</u>	<u>329,908</u>	<u>351,868</u>	<u>432,836</u>	<u>508,290</u>
<i>Business-type activities</i>					
Charge for services					
Water	108,867	119,379	127,868	142,041	144,070
Wastewater	34,311	37,596	42,275	44,562	43,829
Storm drainage	40,124	39,512	39,969	40,871	40,848
Solid waste	61,548	63,556	63,664	67,086	73,465
Community center	9,488	9,848	8,726	2,458	196
Parking	18,374	19,003	19,735	17,140	10,403
Child development	5,713	6,419	6,547	5,328	552
Marina	-	-	-	-	-
Total charge for services	<u>278,425</u>	<u>295,313</u>	<u>308,784</u>	<u>319,486</u>	<u>313,363</u>
Operating grants and contributions	3,967	2,179	3,300	1,693	501
Capital grants and contributions	6,229	23,726	20,457	32,726	18,445
Total business-type activities program revenues	<u>288,621</u>	<u>321,218</u>	<u>332,541</u>	<u>353,905</u>	<u>332,309</u>
Total primary government program revenues	<u>\$ 571,232</u>	<u>\$ 651,126</u>	<u>\$ 684,409</u>	<u>\$ 786,741</u>	<u>\$ 840,599</u>
Net (Expense) Revenue					
Governmental activities	\$ (375,805)	\$ (421,002)	\$ (465,233)	\$ (464,353)	\$ (482,525)
Business-type activities	52,893	69,466	54,681	62,051	52,200
Total primary government net expenses	<u>\$ (322,912)</u>	<u>\$ (351,536)</u>	<u>\$ (410,552)</u>	<u>\$ (402,302)</u>	<u>\$ (430,325)</u>

Notes: (1) The expenses reported in the governmental activities and business-type activities are net of indirect charges between the departments.

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

(4) The Department of Transportation was renamed as Department of Public Works in FY13.

(5) The Economic Development function was reallocated to the General Government function in FY18.

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

(accrual basis of accounting, in thousands)

	Fiscal Year				
	2012	2013	2014	2015	2016
General Revenues and Other					
Changes in Net Position					
<i>Governmental activities</i>					
Taxes:					
Property taxes	\$ 114,874	\$ 114,451	\$ 122,477	\$ 129,714	\$ 138,354
Utility user taxes	58,787	59,066	59,613	59,947	61,404
Other taxes	17,403	27,943	61,584	66,205	70,761
Sales taxes shared state revenue	50,683	52,300	56,575	58,476	67,983
In-lieu sales tax	14,081	16,113	16,823	16,632	14,387
Investment earnings	10,953	10,101	10,136	8,769	11,328
Miscellaneous	11,005	9,749	8,853	11,060	12,954
Contributions to permanent fund	1	1	1	1	-
Gain (loss) on disposition of capital assets	-	-	4,567	5,340	-
Special items	-	26,208	(2,500)	-	(8,830)
Transfers	22,722	19,002	28,571	32,148	14,773
Total governmental activities	300,509	334,934	366,700	388,292	383,114
<i>Business-type activities</i>					
Taxes:					
Other taxes	15,781	16,555	17,943	20,108	21,800
Investment earnings	2,957	1,299	3,294	1,567	4,428
Miscellaneous	-	-	3	5	20
Gain (loss) on disposition of capital assets	7	-	-	-	-
Special items	-	-	18,527	4,554	-
Transfers	(22,722)	(19,002)	(28,571)	(32,148)	(14,773)
Total business-type activities	(3,977)	(1,148)	11,196	(5,914)	11,475
Total primary government	\$ 296,532	\$ 333,786	\$ 377,896	\$ 382,378	\$ 394,589
Change in Net Position					
Governmental activities	\$ 18,803	\$ 4,611	\$ 366,700	\$ 69,866	\$ 29,505
Business-type activities	17,386	31,978	11,196	42,519	60,909
Total primary government	\$ 36,189	\$ 36,589	\$ 377,896	\$ 112,385	\$ 90,414

Notes: (1) The expenses reported in the governmental activities and business-type activities are net of indirect charges between the departments.

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

(accrual basis of accounting, in thousands)

	Fiscal Year				
	2017	2018	2019	2020	2021
General Revenues and Other					
Changes in Net Position					
<i>Governmental activities</i>					
Taxes:					
Property taxes	\$ 146,697	\$ 156,710	\$ 170,439	\$ 184,142	\$ 198,380
Utility user taxes	62,997	62,989	60,128	60,039	62,164
Other taxes	77,608	83,981	105,997	148,998	171,808
Sales taxes shared state revenue	81,296	82,987	93,770	90,970	99,325
In-lieu sales tax	-	-	-	-	-
Investment earnings	9,178	5,593	20,923	19,646	4,618
Miscellaneous	14,221	17,328	14,834	15,743	12,064
Contributions to permanent fund	-	-	-	-	-
Gain (loss) on disposition of capital assets	(79,916)	-	-	-	-
Special items	-	-	7,000	-	-
Transfers	31,443	34,525	35,524	34,947	18,647
Total governmental activities	343,524	444,113	508,615	554,485	567,006
<i>Business-type activities</i>					
Taxes:					
Other taxes	23,866	26,839	29,477	21,504	15,545
Investment earnings	1,292	1,013	20,020	16,940	5
Miscellaneous	20	37	-	-	-
Gain (loss) on disposition of capital assets	17	424	1,747	-	27
Special items	-	-	2,553	-	-
Transfers	(31,443)	(34,525)	(35,524)	(34,947)	(18,647)
Total business-type activities	(6,248)	(6,212)	18,273	3,497	(3,070)
Total primary government	\$ 337,276	\$ 437,901	\$ 526,888	\$ 557,982	\$ 563,936
Change in Net Position					
Governmental activities	\$ (32,281)	\$ 23,111	\$ 43,382	\$ 90,132	\$ 84,481
Business-type activities	47,180	63,254	72,954	65,548	49,130
Total primary government	\$ 14,899	\$ 86,365	\$ 116,336	\$ 155,680	\$ 133,611

Notes: (1) The expenses reported in the governmental activities and business-type activities are net of indirect charges between the departments.

(2) 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
Fund Balances, Governmental Funds ⁽¹⁾
Last Ten Fiscal Years

(modified accrual basis of accounting, in thousands)

	Fiscal Year				
	2012	2013	2014	2015	2016
General Fund					
Nonspendable:					
Prepaid items	\$ 23	\$ 24	\$ 66	\$ 7	\$ 2
Due from other funds	-	-	-	-	-
Noncurrent assets	71	48	-	4	-
Restricted:					
Capital projects	-	-	3,401	2,562	1,860
Ambulance service	-	-	-	1,085	1,085
Other programs	64	40	21	7	17
Committed:					
Economic uncertainty	20,263	27,765	33,714	38,967	46,950
Capital projects	21,542	21,789	21,728	32,987	37,526
Community center theater renovation	-	8,500	8,500	8,500	8,500
B Street Theater project	-	-	-	2,500	-
Fire programs	-	-	-	4,420	5,720
Pension	-	-	-	-	-
OPEB	-	2,000	-	6,717	6,752
Set-aside for FY22 Budget	-	-	-	-	-
SCXEA labor for FY2020	-	-	-	-	-
Homeless programs	-	-	1,000	750	250
Gas tax	-	-	-	-	-
Other programs	9,349	9,347	12,909	8,860	13,953
Assigned:					
Unrealized investment gains	402	-	173	50	732
Next year's budget	9,354	10,446	-	-	-
Unassigned	-	-	17,395	16,028	26,649
Total general fund	\$ 61,068	\$ 79,959	\$ 98,907	\$ 123,444	\$ 149,996
All Other Governmental Funds					
Nonspendable:					
Prepaid items	\$ 29	\$ 44	\$ 24	\$ 24	\$ -
Noncurrent assets	605	530	451	369	283
Permanent fund principal	878	878	878	878	878
Restricted:					
Capital projects	150,475	135,069	126,262	124,790	138,562
Debt service	18,230	17,472	17,548	20,218	51,691
Public works programs	-	13,781	11,830	-	14,522
Ambulance service	-	-	-	13,842	-
Economic development programs	-	23,970	22,484	17,271	16,887
Other programs	50,026	31,115	29,924	27,029	27,793
Committed:					
Economic uncertainty	-	-	-	-	-
Capital projects	469	3,666	4,024	3,355	7,017
Grant retention	-	-	4,049	500	-
Debt service	2,278	2,278	6,583	5,660	8,733
Housing trust fund	-	-	-	-	-
B Street Theater project	-	-	-	16,391	21,360
Economic development programs	-	-	5,125	-	-
Other programs	2,096	6,266	25,486	50,001	51,024
Assigned:					
Debt service	2,068	1,805	973	717	2,547
Unrealized investment gains	42	100	47	15	40
Other programs	4,093	3,758	4,047	2,344	60
Unassigned	(48,094)	(29,711)	(22,121)	(26,554)	(19,657)
Total all other governmental funds	\$ 183,195	\$ 211,021	\$ 237,614	\$ 256,850	\$ 321,740

Notes: (1) FY13 amounts have been restated for the effects of Marina fund reclassification to a governmental activity.

Source: City of Sacramento Annual Comprehensive Financial Reports

City of Sacramento
Fund Balances, Governmental Funds ⁽¹⁾
Last Ten Fiscal Years

(modified accrual basis of accounting, in thousands)

	Fiscal Year				
	2017	2018	2019	2020	2021
General Fund					
Nonspendable:					
Prepaid items	\$ 12	\$ 45	\$ -	\$ 1,279	\$ 1,084
Due from other funds	3,800	3,800	-	-	-
Noncurrent assets	-	-	-	-	-
Restricted:					
Capital projects	-	-	-	-	-
Ambulance service	-	-	-	-	-
Other programs	17	-	-	-	-
Committed:					
Economic uncertainty	49,644	52,700	55,200	55,200	58,499
Capital projects	49,265	37,583	39,995	57,689	57,417
Community center theater renovation	-	-	-	-	-
B Street Theater project	-	-	-	-	-
Fire programs	1,386	6,189	9,568	5,635	7,438
Pension	-	5,000	13,500	-	-
OPEB	5,324	2,619	6,644	4,264	6,828
Set-aside for FY22 Budget	-	-	-	-	5,500
SCXEA labor for FY2020	-	-	4,256	-	-
Homeless programs	-	-	-	-	-
Gas tax	2,087	2,087	2,087	-	-
Other programs	19,280	37,325	46,052	49,405	72,809
Assigned:					
Unrealized investment gains	-	-	381	1,960	103
Next year's budget	-	-	-	-	-
Unassigned	24,739	25,021	32,923	50,007	30,315
Total general fund	\$ 155,554	\$ 172,369	\$ 210,606	\$ 225,439	\$ 239,993
All Other Governmental Funds					
Nonspendable:					
Prepaid items	\$ -	\$ -	\$ -	\$ 5,715	\$ 8,783
Noncurrent assets	193	98	-	-	-
Permanent fund principal	878	878	878	878	578
Restricted:					
Capital projects	149,664	159,439	183,772	208,205	230,323
Debt service	58,904	28,539	28,119	27,884	22,722
Public works programs	13,152	18,857	22,071	23,618	21,141
Ambulance service	-	-	-	-	-
Economic development programs	41,548	44,920	48,878	46,954	49,537
Other programs	28,818	35,025	48,003	63,026	60,517
Committed:					
Economic uncertainty	-	-	-	-	449
Capital projects	9,359	18,245	14,407	15,369	23,523
Grant retention	-	-	-	-	-
Debt service	19,110	21,543	17,291	11,401	12,157
Housing trust fund	-	-	-	-	15,000
B Street Theater project	-	-	-	-	-
Economic development programs	-	-	-	-	-
Other programs	56,715	40,683	48,473	62,167	55,672
Assigned:					
Debt service	2,406	2,008	2,700	2,968	2,270
Unrealized investment gains	-	-	51	675	51
Other programs	-	360	18	170	63
Unassigned	(18,037)	(22,656)	(18,503)	(33,465)	(32,460)
Total all other governmental funds	\$ 362,710	\$ 347,939	\$ 396,158	\$ 435,565	\$ 470,326

Notes: (1) FY13 amounts have been restated for the effects of Marina fund reclassification to a governmental activity.

Source: City of Sacramento Annual Comprehensive 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				
	2012	2013	2014	2015	2016
Revenues					
Taxes	\$ 256,564	\$ 265,605	\$ 320,832	\$ 334,649	\$ 365,482
Intergovernmental	154,937	154,556	105,172	111,017	128,190
Charges for services	62,760	66,369	71,889	86,061	89,765
Fines, forfeits and penalties	11,891	9,892	11,221	11,403	12,720
Interest, rents, and concessions	15,494	13,909	14,417	12,681	15,221
Community service fees	3,058	7,136	4,693	7,869	16,460
Assessment levies	35,294	37,621	38,668	41,884	43,475
Contributions and donations	6,170	14,269	43,018	45,177	35,820
Miscellaneous	2,090	3,441	570	501	2,761
Total revenues	548,258	572,798	610,480	651,242	709,894
Expenditures					
General government	24,610	22,712	26,170	28,491	34,197
Police	142,204	138,779	138,653	149,448	152,245
Fire	98,749	99,630	107,538	110,585	119,814
Public works ⁽³⁾	-	34,995	34,706	35,502	42,194
General services ⁽²⁾	19,388	10,306	9,564	10,058	-
Transportation ⁽³⁾	33,183	-	-	-	-
Convention and cultural services	10,670	9,804	10,481	10,978	11,738
Economic development ⁽⁴⁾	9,396	10,221	12,418	10,797	9,871
Youth, parks, and community enrichment ⁽⁵⁾	30,393	32,257	35,632	38,894	37,801
Community development	21,819	23,568	23,902	26,819	34,110
Library	11,739	12,362	12,482	14,496	14,771
Utilities	97	979	607	522	701
Nondepartmental	32,269	-	-	-	-
Citywide and community support	-	33,105	36,965	37,216	47,961
Capital outlay	118,259	116,705	106,840	128,805	337,817
Debt service					
City					
Principal	21,595	19,470	26,218	23,699	16,481
Interest and fiscal charges	24,028	22,949	22,772	33,493	24,822
Bond issuance costs	-	-	-	-	5,483
Subtotal - debt service	45,623	42,419	48,990	57,192	84,838
Total Expenditures	598,399	587,842	604,948	659,803	928,058
Excess (deficiency) of revenues over (under) expenditures	(50,141)	(15,044)	5,532	(8,561)	(218,164)
Other Financing Sources (uses)					
Transfers in	55,435	55,166	63,584	69,117	306,810
Transfers out	(27,590)	(27,450)	(34,527)	(33,267)	(270,358)
Issuance of long-term debt	73	2,837	6,050	3,984	401,943
Premium on long-term debt	-	-	-	-	13,972
Proceeds from sale of property	-	-	4,902	12,500	-
Payments to refunded bond escrow	-	-	-	-	(133,931)
Total other financing sources (uses)	27,918	30,553	40,009	52,334	318,436
Special items	-	31,208	-	-	(8,830)
Changes in fund balances	\$ (22,223)	\$ 46,717	\$ 45,541	\$ 43,773	\$ 91,442
Debt services as a percentage of noncapital expenditures	9.41%	8.35%	9.49%	10.46%	12.71%

- 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 Transportation was renamed as Department of Public Works in FY13.
(4) The Economic Development function was reallocated to the General Government function in FY18.
(5) The Department of Parks and Recreation has been renamed to the Department of Youth, Parks, and Community Enrichment in FY19.

City of Sacramento
Changes in Fund Balances, Governmental Funds ⁽¹⁾
Last Ten Fiscal Years

(modified accrual basis of accounting, in thousands)

	Fiscal Year				
	2017	2018	2019	2020	2021
Revenues					
Taxes	\$ 382,155	\$ 406,011	\$ 434,759	\$ 489,569	\$ 533,811
Intergovernmental	73,082	80,415	97,658	114,274	237,428
Charges for services	105,446	121,368	131,609	131,135	120,468
Fines, forfeits and penalties	11,429	12,643	16,397	13,309	7,630
Interest, rents, and concessions	14,220	10,794	24,907	20,718	10,101
Community service fees	29,740	30,654	30,651	29,072	27,217
Assessment levies	44,339	47,048	52,476	50,080	52,000
Contributions and donations	33,637	14,253	49,053	36,603	52,877
Miscellaneous	383	731	718	974	1,250
Total revenues	694,431	723,917	838,228	885,734	1,042,782
Expenditures					
General government	41,413	72,772	85,272	117,640	222,591
Police	159,572	169,273	182,538	203,980	211,307
Fire	127,970	136,161	144,043	159,771	168,103
Public works ⁽³⁾	45,457	49,841	51,289	47,350	51,040
General services ⁽²⁾	-	-	-	-	-
Transportation ⁽³⁾	-	-	-	-	-
Convention and cultural services	12,838	14,372	15,117	13,459	12,415
Economic development ⁽⁴⁾	13,270	-	-	-	-
Youth, parks, and community enrichment ⁽⁵⁾	38,707	38,615	40,866	45,791	41,878
Community development	40,499	45,787	54,342	67,128	68,404
Library	14,903	16,421	17,732	18,867	21,218
Utilities	1,583	2,034	2,495	3,555	3,882
Nondepartmental	-	-	-	-	-
Citywide and community support	48,435	46,576	42,827	50,691	51,632
Capital outlay	82,465	90,397	79,175	103,790	130,426
Debt service					
City					
Principal	28,677	48,445	56,284	21,308	26,228
Interest and fiscal charges	28,555	24,529	24,818	24,501	21,661
Bond issuance costs	49	1,415	116	1	-
Subtotal - debt service	57,281	74,389	81,218	45,810	47,889
Total Expenditures	684,393	756,638	796,914	877,832	1,030,785
Excess (deficiency) of revenues over (under) expenditures	10,038	(32,721)	41,314	7,902	11,997
Other Financing Sources (uses)					
Transfers in	66,386	70,558	69,931	74,660	106,614
Transfers out	(31,871)	(35,801)	(33,114)	(37,657)	(80,551)
Issuance of long-term debt	1,976	8	1,325	5,452	11,255
Premium on long-term debt	-	-	-	-	-
Proceeds from sale of property	-	-	-	-	-
Payments to refunded bond escrow	-	-	-	-	-
Total other financing sources (uses)	36,491	34,765	38,142	42,455	37,318
Special items	-	-	7,000	3,883	-
Changes in fund balances	\$ 46,529	\$ 2,044	\$ 86,456	\$ 54,240	\$ 49,315
Debt services as a percentage of noncapital expenditures	9.27%	10.61%	10.56%	5.70%	5.10%

- 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 Transportation was renamed as Department of Public Works in FY13.
(4) The Economic Development function was reallocated to the General Government function in FY18.
(5) The Department of Parks and Recreation has been renamed to the Department of Youth, Parks, and Community Enrichment in FY19.

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⁾	Sales & Use ⁽³⁾	Utility Users	Others	Total
2012	\$ 130,287	\$ 50,683	\$ 58,787	\$ 16,807	\$ 256,564
2013	130,864	57,121	59,066	18,554	265,605
2014	140,690	99,615	59,613	20,914	320,832
2015	147,415	102,596	59,948	24,690	334,649
2016	164,719	110,212	61,404	29,147	365,482
2017	159,566	125,560	62,997	34,032	382,155
2018	170,701	131,371	62,989	40,950	406,011
2019	173,307	157,816	60,128	43,508	434,759
2020	187,768	194,868	60,039	46,894	489,569
2021	199,440	216,170	62,164	56,037	533,811

Notes: (1) In lieu sales tax is reported as property tax.

(2) Includes residual property tax from redevelopment agency dissolution.

(3) Includes Measure U local sales and use tax.

Sources: (A)Source: City of Sacramento Annual Comprehensive 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 ⁽³⁾
	Real Property	Personal Property	Public Utility ⁽²⁾	Total			
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
2020	53,124,698	1,869,844	9,185	55,003,727	444,470	54,559,257	1.00
2021	56,812,389	1,993,337	9,069	58,814,795	444,432	58,370,363	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 be easily determined as the property in the City is not reassessed annually. Reassessment normally occurs when ownership changes.

(2) The decrease in public utility assessed value is primarily due to the transfer of the downtown railyards from a railroad company to a private developer and the City.

(3) This 1% is shared by all taxing agencies for which the subject property resides within.

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
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
2020	1.0000	—	0.1371	—	1.1371
2021	1.0000	—	0.1394	—	1.1394

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
Current Fiscal Year and Nine Years Ago

(in thousands)

Taxpayer	2021			2012		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Sacramento Kings	\$ 399,488	1	0.68 %	-	-	-
Hancock SREIT Sacramento LLC	198,750	2	0.34	-	-	-
Pac West Office Equities LP	187,970	3	0.32	-	-	-
M/H Realty Partners VI LP	174,289	4	0.30	-	-	-
SRI Eleven 621 Capitol Mall LLC	167,504	5	0.29	-	-	-
Arden Fair Associates	153,245	6	0.26	\$ 131,865	4	0.36 %
500 Capitol Mall LLC	147,446	7	0.25	-	-	-
HP Hood LLC	138,358	8	0.24	-	-	-
300 Capitol Mall Investors LP	129,540	9	0.22	-	-	-
Prime US-Park Tower LLC	129,336	10	0.22	-	-	-
Hines Sacramento Wells Fargo	-	-	-	391,849	1	1.07
CIM Sacramento LLC	-	-	-	227,866	2	0.62
Verizon	-	-	-	160,723	3	0.44
Comcast Cable	-	-	-	127,309	5	0.35
621 Capitol Mall LLC	-	-	-	115,137	6	0.32
300 Capitol Association NF LP	-	-	-	114,727	7	0.31
Downtown Plaza LLC	-	-	-	97,565	8	0.27
1415 Meridian Plaza LLC	-	-	-	81,818	9	0.22
Sacramento Equities REIT	-	-	-	81,806	10	0.23
	<u>1,825,926</u>		<u>3.12</u>	<u>1,530,665</u>		<u>4.19</u>
All other taxpayers	<u>56,544,437</u>		<u>96.88</u>	<u>34,971,447</u>		<u>95.81</u>
Total	<u>\$ 58,370,363</u>		<u>100.00 %</u>	<u>\$ 36,502,112</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 Year ⁽⁴⁾	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
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%
2020	185,127 ^{(2) (3)}	183,365	99.05%	1,762	185,127	100.00%
2021	196,743 ^{(2) (3)}	194,957	99.09%	1,786	196,743	100.00%

- Notes: (1) Property taxes in 2012 and subsequent years till 2016 include in lieu sales tax revenue from prior year. Program began 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.
(4) Receipts from County's August distribution covering remaining levies not collected as of June 30 each year.

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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	
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
2020 ⁽⁶⁾	494,320	16,915	325	858,891	56,713	973	1,428,137
2021 ⁽⁷⁾	475,282	16,909	199	822,397	124,073 ⁽⁸⁾	-	1,314,787

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 were 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.
 - (6) In 2020, \$50 million of revenue bonds were issued for the purpose of financing an additional Ballroom in the Sacramento Convention Center and other capital-improvement projects. In 2020, \$188 million of refunding bonds were issued.
 - (7) In 2021, \$28 million of refunding bonds were issued.
 - (8) Notes payable includes State Revolving Fund Loan of \$173 million related to the AWMP Program Z14010000. Funding is currently scheduled to be fully spent by June 30,2022. Several new construction contracts were awarded in FY21, and the City continues to draw on the SRF during the year to fund these projects.
- NA Personal income data for the City 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
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
2020 ⁽⁶⁾	NA	510,931	2,795
2021 ⁽⁷⁾	NA	515,673	2,550

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 were 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.
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 - (7) In 2021, \$28 million of refunding bonds were issued.
 - (8) Notes payable includes State Revolving Fund Loan of \$173 million related to the AWMP Program Z14010000. Funding is currently scheduled to be fully spent by June 30,2022. Several new construction contracts were awarded in FY21, and the City continues to draw on the SRF during the year to fund these projects.
- NA Personal income data for the City was not available.

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
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	-
2020	-	-	-	54,559,257	0.00%	510,931	-
2021	-	-	-	58,370,363	0.00%	515,673	-

Source: City of Sacramento Annual Comprehensive Financial Reports and the County of Sacramento.

City of Sacramento
Direct and Overlapping Governmental Activities Debt ⁽¹⁾
As of June 30, 2021
(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	\$ 415,205	26.785 %	\$ 111,213
Elk Grove Unified School District	317,350	11.860	37,638
Natomas Unified School District	419,275	86.349	362,039
Sacramento Unified School District	455,013	85.047	386,975
San Juan Unified School District	666,806	2.934	19,564
Twin Rivers Unified School District:			
Twin Rivers Unified School District (former Elementary School District bonds)	56,250	49.434	27,807
Twin Rivers Unified School District (former Grant Joint Union High School District bonds)	264,843	48.917	129,553
Robla School District	87,778	53.239	46,732
City of Sacramento Community Facilities Districts	207,160	100.000	207,160
Elk Grove Unified School District Community Facilities District No. 1	185,371	11.860	21,985
City of Sacramento 1915 Act Bonds	1,460	100.000	1,460
California Statewide Community Development Authority Assessment Districts	16,548	100.000	16,548
Sacramento Area Flood Control Agency Consolidated Capital Districts Assessment District	318,525	85.335	271,813
Sacramento Area Flood Control Agency Natomas Local Assessment District	31,680	82.936	26,274
Subtotal - Overlapping Tax and Assessment debt			1,666,761
Direct and Overlapping General Fund Debt:			
Sacramento County General Fund Obligations	139,167	32.343	45,011
Sacramento County Pension Obligation Bonds	712,785	32.343	230,536
Sacramento County Board of Education General Fund Obligations	3,100	32.343	1,003
Elk Grove Unified School District General Fund Obligations	11,770	11.860	1,396
Sacramento Unified School District General Fund Obligations	57,855	85.047	49,204
Twin Rivers Unified School District Certificates of Participation	8,090	48.917	3,957
Arcade Creek Recreation and Park District General Fund Obligations	211	1.099	2
Fulton-El Camino Recreation and Park District General Fund Obligations	1,082	16.755	181
Subtotal - Direct and Overlapping General Fund Debt			331,290
Total Overlapping Debt			1,998,051
City of Sacramento Direct Debt			492,390
Total Direct and Overlapping Debt			\$ 2,490,441

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.

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		
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%
2020	54,559,257	8,183,889	-	-	-	8,183,889	0.00%
2021	58,370,363	8,755,554	-	-	-	8,755,554	0.00%

Sources: (A) City of Sacramento Annual Comprehensive Financial Reports.
(B) County of Sacramento, Office of Auditor/Controller.

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City of Sacramento
Pledged-Revenue Coverage
Last Ten Fiscal Years
(in thousands)

Fiscal Year	Water Revenue					
	Gross Revenue	Less: Operating Expenses ⁽¹⁾	Net Revenue	Debt Service Requirements ⁽²⁾		Coverage
				Principal	Interest	
2012	\$ 79,857	\$ 43,346	\$ 36,511	\$ -	\$ 141	258.94
2013	88,754	43,128	45,626	194	243	104.41
2014	94,382	43,215	51,167	396	9,974	4.93
2015	100,523	45,292	55,231	3,946	10,704	3.77
2016	98,533	47,728	50,805	4,061	10,594	3.47
2017	108,867	56,223	52,644	4,206	10,448	3.59
2018	119,379	50,565	68,814	4,397	12,111	4.17
2019	127,868	61,359	66,509	5,383	12,809	3.66
2020	142,041	67,841	74,200	5,644	12,835	4.02
2021	144,070	66,021	78,049	8,811	9,254	4.32

Fiscal Year	Wastewater Revenue					
	Gross Revenue	Less: Operating Expenses ⁽¹⁾	Net Revenue	Debt Service Requirements ⁽³⁾		Coverage
				Principal	Interest	
2012	\$ 21,496	\$ 16,274	\$ 5,222	\$ 687	\$ 172	6.08
2013	25,134	18,005	7,129	703	156	8.30
2014	28,493	21,322	7,171	720	1,091	3.96
2015	32,223	21,091	11,132	736	1,527	4.92
2016	31,532	21,149	10,383	1,313	1,501	3.69
2017	34,311	24,987	9,324	1,351	1,464	3.31
2018	37,596	23,010	14,586	1,394	1,422	5.18
2019	42,275	27,371	14,904	1,396	1,379	5.37
2020	44,562	25,988	18,574	1,443	2,490	4.72
2021	43,829	26,341	17,488	1,936	1,841	4.63

Notes: (1) Total operating expenses is exclusive of depreciation and amortization expense.

(2) Debt service requirements include California Department of Public Health Notes Payable, Drinking Water State Revolving Fund Notes Payable, Water Revenue Bonds, Series 2013 and 2017, and Water Revenue Refunding Bonds, Series 2020.

(3) Debt service requirements include Wastewater portion of State Water Resources Control Board Notes Payable, Wastewater Revenue Bonds, Series 2013 and 2019, and Wastewater Revenue Refunding Bonds, Series 2020.

Source: City of Sacramento's internal financial documents.

City of Sacramento
Pledged-Revenue Coverage
Last Ten Fiscal Years
(in thousands)

Storm Drainage Revenue							
Fiscal Year	Gross Revenue	Less: Operating Expenses ⁽¹⁾	Net Revenue	Debt Service Requirements ⁽²⁾		Coverage	
				Principal	Interest		
2012	\$ 34,545	\$ 25,638	\$ 8,907	\$ 2,142	\$ 624	3.22	
2013	35,682	24,703	10,979	2,179	562	4.01	
2014	38,049	24,479	13,570	2,230	511	4.95	
2015	37,646	29,581	8,065	2,283	458	2.94	
2016	40,166	28,897	11,269	2,336	404	4.11	
2017	40,124	29,207	10,917	2,391	349	3.98	
2018	39,512	30,483	9,029	2,448	292	3.30	
2019	39,969	29,021	10,948	2,381	234	4.19	
2020	40,871	31,521	9,350	2,437	178	3.58	
2021	40,848	29,732	11,116	2,237	119	4.72	

Transient Occupancy Tax (TOT) Revenue							
Fiscal Year	Gross Revenue	Less: Operating Expenses ⁽⁵⁾	Net Revenue	Debt Service Requirements ⁽³⁾		Coverage	
				Principal	Interest		
2019	\$ 29,477	\$ -	\$ 29,477	\$ -	\$ 8,103	3.64	
2020	21,504	-	21,504	-	13,891	1.55	
2021	15,545	-	15,545	5,080	13,891	0.82	

Sacramento Tourism Infrastructure District (STID) Assessment Revenue							
Fiscal Year	Gross Revenue	Less: Operating Expenses ⁽⁵⁾	Net Revenue	Debt Service Requirements ⁽⁴⁾		Coverage	
				Principal	Interest		
2020	\$ 1,883	\$ -	\$ 1,883	\$ -	\$ 1,469	1.28	
2021	1,899	-	1,899	845	1,895	0.69	

- Notes: (1) Total operating expenses is exclusive of depreciation and amortization expense.
(2) Debt service requirements include Storm Drainage portion of State Water Resources Control Board Notes Payable and California Infrastructure and Economic Development Bank Notes Payable.
(3) Debt service requirements include 2018 TOT Revenue Bonds, Series A, B, and C. Therefore, only three years are shown.
(4) Debt service requirements include 2019 STID Assessment Revenue Bonds. Therefore, only two years are shown.
(5) Due to the classification of TOT and STID revenues as nonoperating revenues, no operating expenses reported above.

Source: City of Sacramento's internal financial documents.

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)
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
2020	1,555,365	85,959	55,266	34	N/A	249,540	12.5
2021	1,561,014	91,018	58,307	35	N/A	246,069	7.3

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)	2021			2012		
	Employee (A) ⁽¹⁾	Rank	Percentage of Total Employment (B) ⁽²⁾	Employee (A) ⁽¹⁾	Rank	Percentage of Total Employment (B)
State of California	82,076	1	12.39%	69,763	1	11.57%
UC Davis Health System	14,618	2	2.21%	7,725	3	1.28%
Sacramento County	12,585	3	1.90%	11,450	2	1.90%
Kaiser Permanente	12,078	4	1.82%	6,360	6	1.05%
U.S. Government	11,752	5	1.77%	-	-	-
Dignity Health	10,888	6	1.64%	7,069	4	1.17%
Sutter Health	10,764	7	1.63%	5,765	7	0.96%
Intel Corporation	5,992	8	0.90%	6,633	5	1.10%
California State University Sacramento	5,283	9	0.80%	-	-	-
San Juan Unified School District	4,962	10	0.75%	4,700	10	0.78%
City of Sacramento	4,883	11	0.74%	4,083	11	0.68%
Elk Grove Unified School District	-	-	-	5,021	8	0.83%
Sacramento City Unified School District	-	-	-	5,000	9	0.83%

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 662,400 per Employment Development Department website) in July 2021.

Sources: (A) Sacramento Business Journal, June 4, 2021. List of largest employers in Sacramento County.

(B) Employment Development Department, State of California.

City of Sacramento
Successor Agency Trust Fund
Assessed Value of Taxable Property ^{(1) (2)}
Last Ten Fiscal Years
(in thousands)

PROJECT AREA	Fiscal Year				
	2012	2013	2014	2015	2016
Merged Downtown					
Secured	\$ 2,427,850	\$ 2,366,130	\$ 2,300,993	\$ 2,344,213	\$ 2,461,341
Unsecured	145,125	137,567	132,581	138,662	124,172
Utility	997	770	770	770	748
Total	<u>\$ 2,573,972</u>	<u>\$ 2,504,467</u>	<u>\$ 2,434,344</u>	<u>\$ 2,483,645</u>	<u>\$ 2,586,261</u>
Del Paso Heights					
Secured	\$ 286,172	\$ 276,998	\$ 289,856	\$ 311,285	\$ 317,886
Unsecured	10,267	9,550	12,659	14,464	13,621
Utility	1	1	1	1	1
Total	<u>\$ 296,440</u>	<u>\$ 286,549</u>	<u>\$ 302,516</u>	<u>\$ 325,750</u>	<u>\$ 331,508</u>
Alkali Flat					
Secured	\$ 121,651	\$ 119,184	\$ 112,883	\$ 120,103	\$ 123,251
Unsecured	2,962	4,982	3,224	3,504	2,963
Utility	-	-	-	-	-
Total	<u>\$ 124,613</u>	<u>\$ 124,166</u>	<u>\$ 116,107</u>	<u>\$ 123,607</u>	<u>\$ 126,214</u>
Oak Park					
Secured	\$ 428,226	\$ 427,642	\$ 466,006	\$ 476,624	\$ 501,132
Unsecured	8,973	9,898	9,763	9,483	24,938
Utility	-	-	-	-	-
Total	<u>\$ 437,199</u>	<u>\$ 437,540</u>	<u>\$ 475,769</u>	<u>\$ 486,107</u>	<u>\$ 526,070</u>
River District (formerly Richards Blvd)					
Secured	\$ 403,771	\$ 396,061	\$ 375,825	\$ 403,452	\$ 393,540
Unsecured	31,661	33,655	29,486	35,352	37,314
Utility	4,264	4,779	4,779	4,779	2,591
Total	<u>\$ 439,696</u>	<u>\$ 434,495</u>	<u>\$ 410,090</u>	<u>\$ 443,583</u>	<u>\$ 433,445</u>
North Sacramento					
Secured	\$ 526,139	\$ 506,029	\$ 498,272	\$ 509,637	\$ 523,526
Unsecured	35,675	39,802	36,413	40,115	36,778
Utility	-	-	-	-	-
Total	<u>\$ 561,814</u>	<u>\$ 545,831</u>	<u>\$ 534,685</u>	<u>\$ 549,752</u>	<u>\$ 560,304</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				
	2017	2018	2019	2020	2021
Merged Downtown					
Secured	\$ 2,682,975	\$ 3,294,112	\$ 3,572,623	\$ 3,854,509	\$ 3,927,521
Unsecured	110,587	131,439	147,725	169,620	169,037
Utility	748	748	696	7	7
Total	<u>\$ 2,794,310</u>	<u>\$ 3,426,299</u>	<u>\$ 3,721,044</u>	<u>\$ 4,024,136</u>	<u>\$ 4,096,565</u>
Del Paso Heights					
Secured	\$ 338,354	\$ 380,389	\$ 414,850	\$ 469,286	\$ 510,477
Unsecured	15,440	14,149	21,771	23,390	28,109
Utility	1	1	1	-	-
Total	<u>\$ 353,795</u>	<u>\$ 394,539</u>	<u>\$ 436,622</u>	<u>\$ 492,676</u>	<u>\$ 538,586</u>
Alkali Flat					
Secured	\$ 136,555	\$ 158,376	\$ 198,843	\$ 228,034	\$ 250,906
Unsecured	2,996	2,920	3,485	3,582	3,794
Utility	-	-	-	-	-
Total	<u>\$ 139,551</u>	<u>\$ 161,296</u>	<u>\$ 202,328</u>	<u>\$ 231,616</u>	<u>\$ 254,700</u>
Oak Park					
Secured	\$ 567,966	\$ 610,203	\$ 686,458	\$ 787,243	\$ 831,901
Unsecured	27,750	28,003	31,947	23,271	25,615
Utility	-	-	-	-	-
Total	<u>\$ 595,716</u>	<u>\$ 638,206</u>	<u>\$ 718,405</u>	<u>\$ 810,514</u>	<u>\$ 857,516</u>
River District (formerly Richards Blvd)					
Secured	\$ 404,183	\$ 413,627	\$ 444,699	\$ 474,858	\$ 535,733
Unsecured	34,732	36,120	37,676	35,370	35,657
Utility	2,591	2,591	2,464	2,752	2,705
Total	<u>\$ 441,506</u>	<u>\$ 452,338</u>	<u>\$ 484,839</u>	<u>\$ 512,980</u>	<u>\$ 574,095</u>
North Sacramento					
Secured	\$ 555,437	\$ 556,306	\$ 605,147	\$ 681,316	\$ 743,818
Unsecured	36,563	36,555	43,011	50,625	57,168
Utility	-	-	-	719	719
Total	<u>\$ 592,000</u>	<u>\$ 592,861</u>	<u>\$ 648,158</u>	<u>\$ 732,660</u>	<u>\$ 801,705</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				
	2012	2013	2014	2015	2016
Franklin Boulevard					
Secured	\$ 554,662	\$ 553,114	\$ 556,190	\$ 482,823	\$ 474,370
Unsecured	38,551	39,862	37,903	32,000	31,565
Utility	-	-	-	-	-
Total	<u>\$ 593,213</u>	<u>\$ 592,976</u>	<u>\$ 594,093</u>	<u>\$ 514,823</u>	<u>\$ 505,935</u>
Stockton Boulevard					
Secured	\$ 355,452	\$ 334,059	\$ 345,330	\$ 364,463	\$ 384,262
Unsecured	17,468	17,101	17,293	17,731	16,742
Utility	-	-	-	-	-
Total	<u>\$ 372,920</u>	<u>\$ 351,160</u>	<u>\$ 362,623</u>	<u>\$ 382,194</u>	<u>\$ 401,004</u>
Army Depot					
Secured	\$ 810,113	\$ 790,956	\$ 826,125	\$ 864,133	\$ 928,249
Unsecured	116,198	116,489	149,382	139,964	110,209
Utility	579	943	943	943	1,072
Total	<u>\$ 926,890</u>	<u>\$ 908,388</u>	<u>\$ 976,450</u>	<u>\$ 1,005,040</u>	<u>\$ 1,039,530</u>
65th Street					
Secured	\$ 230,618	\$ 229,458	\$ 228,785	\$ 231,632	\$ 243,684
Unsecured	25,808	17,346	14,536	17,543	14,033
Utility	-	-	-	-	-
Total	<u>\$ 256,426</u>	<u>\$ 246,804</u>	<u>\$ 243,321</u>	<u>\$ 249,175</u>	<u>\$ 257,717</u>
Railyards					
Secured	\$ 80,928	\$ 84,191	\$ 80,200	\$ 75,245	\$ 68,288
Unsecured	3,521	4,548	4,454	5,973	10,940
Utility	768	771	-	-	-
Total	<u>\$ 85,217</u>	<u>\$ 89,510</u>	<u>\$ 84,654</u>	<u>\$ 81,218</u>	<u>\$ 79,228</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				
	2017	2018	2019	2020	2021
Franklin Boulevard					
Secured	\$ 497,711	\$ 544,375	\$ 578,295	\$ 608,313	\$ 643,432
Unsecured	35,431	34,068	33,800	36,098	38,111
Utility	-	-	-	-	-
Total	<u>\$ 533,142</u>	<u>\$ 578,443</u>	<u>\$ 612,095</u>	<u>\$ 644,411</u>	<u>\$ 681,543</u>
Stockton Boulevard					
Secured	\$ 403,482	\$ 442,555	\$ 471,634	\$ 510,666	\$ 556,549
Unsecured	15,941	15,798	18,937	19,758	23,067
Utility	-	-	-	-	-
Total	<u>\$ 419,423</u>	<u>\$ 458,353</u>	<u>\$ 490,571</u>	<u>\$ 530,424</u>	<u>\$ 579,616</u>
Army Depot					
Secured	\$ 979,664	\$ 1,052,144	\$ 1,130,114	\$ 1,302,802	\$ 1,391,639
Unsecured	106,652	111,552	115,208	132,775	138,567
Utility	1,072	1,072	1,072	1,037	1,037
Total	<u>\$ 1,087,388</u>	<u>\$ 1,164,768</u>	<u>\$ 1,246,394</u>	<u>\$ 1,436,614</u>	<u>\$ 1,531,243</u>
65th Street					
Secured	\$ 276,299	\$ 350,567	\$ 425,730	\$ 532,239	\$ 553,158
Unsecured	15,339	17,768	22,692	22,321	25,276
Utility	-	-	-	94	94
Total	<u>\$ 291,638</u>	<u>\$ 368,335</u>	<u>\$ 448,422</u>	<u>\$ 554,654</u>	<u>\$ 578,528</u>
Railyards					
Secured	\$ 62,600	\$ 66,406	\$ 67,471	\$ 71,495	\$ 104,469
Unsecured	7,310	7,151	11,438	13,940	15,667
Utility	-	-	-	-	-
Total	<u>\$ 69,910</u>	<u>\$ 73,557</u>	<u>\$ 78,909</u>	<u>\$ 85,435</u>	<u>\$ 120,136</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, 2021
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
WEIDNER INVESTMENT SERVICES INC	\$ 79,925	\$ 49,013	\$ (30,912)	5.76%
CIM J STREET GARAGE SACRAMENTO LP	77,603	36,149	(41,454)	7.73%
KAISER FOUNDATION HEALTH PLAN INCORPORATED	75,567	37,783	(37,784)	7.05%
CL1 SACRAMENTO LLC	53,952	35,970	(17,982)	3.35%
CL1 SACRAMENTO LLC	51,400	41,200	(10,200)	1.90%
TIMBER SOMA 925 L STREET LP	47,338	42,600	(4,738)	0.88%
GPT PROPERTIES	46,740	23,370	(23,370)	4.36%
SAMUEL D TARPIN	28,143	15,469	(12,674)	2.36%
CIM J STREET GARAGE SACRAMENTO LLC	20,395	10,197	(10,198)	1.90%
ATRIUM FINANCE LP	18,950	1,194	(17,756)	3.31%
Subtotal	500,013	292,945	(207,068)	38.61%
All Other Taxpayers	36,297	18,722	(17,575)	3.28%
Total	<u>\$ 536,310</u>	<u>\$ 311,667</u>	<u>\$ (224,643)</u>	<u>41.89%</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, 2021.

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, 2021
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
DOLGEN CALIFORNIA LLC	\$ 2,877	\$ 1,900	\$ (977)	33.06%
ADT LLC	78	47	(31)	1%
Subtotal	2,955	1,947	(1,008)	34.11%
All Other Taxpayers	-	-	-	-
Total	\$ 2,955	\$ 1,947	\$ (1,008)	34.11%

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, 2021.

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, 2021
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
JOHN B ADAMO	\$ 2,144	\$ 1,072	\$ (1,072)	32.86%
FIXZYN INCORPORATED	575	448	(127)	3.89%
FIXZYN INCORPORATED	543	447	(96)	2.94%
Subtotal	3,262	1,967	(1,295)	39.70%
All Other Taxpayers	-	-	-	-
Total	<u>\$ 3,262</u>	<u>\$ 1,967</u>	<u>\$ (1,295)</u>	<u>39.70%</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, 2021.

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, 2021
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
BIMBO BAKERIES	\$ 15,404	\$ 10,000	\$ (5,404)	33.10%
LANCE ACUNA	322	258	(64)	0.39%
GREG BLUNDEN	262	157	(105)	0.64%
CYNTHIA STREATOR	114	71	(43)	0.26%
WALGREEN CO	113	87	(26)	0.16%
CYNTHIA STREATOR	109	69	(40)	0.25%
Subtotal	16,324	10,642	(5,682)	34.81%
All Other Taxpayers	-	-	-	-
Total	\$ 16,324	\$ 10,642	\$ (5,682)	34.81%

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, 2021.

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, 2021
(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)	10.46%
JMDH REAL ESTATE SACRAMENTO LLC	6,523	3,262	(3,261)	10.87%
JMDH REAL ESTATE SACRAMENTO LLC	6,395	3,198	(3,197)	10.67%
MARTIN SPROCKET & GEAR INC	4,456	743	(3,713)	12.39%
VITARAG HOSPITALITY INC	4,203	2,000	(2,203)	7.35%
RITZ/SCHOEFFLER INTERESTS	1,895	1,232	(663)	2.21%
PLANT LIFE INNOVATIVE TECHNOLOGIES LLC	221	47	(174)	0.58%
Subtotal	29,963	13,617	(16,346)	54.55%
All Other Taxpayers	-	-	-	-
Total	<u>\$ 29,963</u>	<u>\$ 13,617</u>	<u>\$ (16,346)</u>	<u>54.55%</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, 2021.

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, 2021
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
SEVEN UP/RC BOTTLING CO	\$ 42,089	\$ 39,016	\$ (3,073)	3.12%
SEVEN UIP BOTTLING COMPANY OF SAN FRANCISCO	31,316	14,832	(16,484)	16.74%
SAC HOTELS LLC	6,217	2,861	(3,356)	3.41%
TCHERKOYAN FAMILY TRUST	6,090	3,654	(2,436)	2.47%
BAHRAM NAVID	5,857	5,000	(857)	0.87%
BELL EXPO LLC	2,245	1,347	(898)	0.91%
JERRY IVY SEPARATE PROPERTY TRUST	1,300	780	(520)	0.53%
THE AMERICAN BOTTLING COMPANY	895	429	(466)	0.47%
THE AMERICAN BOTTLING COMPANY	804	362	(442)	0.45%
THE AMERICAN BOTTLING COMPANY	780	358	(422)	0.43%
Subtotal	97,593	68,639	(28,954)	29.41%
All Other Taxpayers	863	414	(449)	0.46%
Total	\$ 98,456	\$ 69,053	\$ (29,403)	29.41%

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, 2021.

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, 2021
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
6200 FRANKLIN LLC	\$ 20,153	\$ 10,278	\$ (9,875)	12.36%
6200 FRANKLIN LLC	15,896	7,945	(7,951)	9.95%
6200 FRANKLIN LLC	15,576	7,788	(7,788)	9.75%
CVS HEALTH	7,992	5,000	(2,992)	3.75%
MACY'S WEST STORES	5,748	1,947	(3,801)	4.76%
XPO LOGISTICS FREIGHT INC	3,989	3,160	(829)	1.04%
6200 FRANKLIN LLC	3,796	1,898	(1,898)	2.38%
OREILLY AUTO PARTS	2,515	1,257	(1,258)	1.57%
CROWN ENTERPRISES INC	2,363	1,080	(1,283)	1.61%
6200 FRANKLIN LLC	1,172	586	(586)	0.73%
Subtotal	79,200	40,939	(38,261)	48%
All Other Taxpayers	686	516	(170)	0%
Total	<u>\$ 79,886</u>	<u>\$ 41,455</u>	<u>\$ (38,431)</u>	<u>47.89%</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, 2021.

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, 2021
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
H/S ENERGY LLC	\$ 1,634	\$ 1,144	\$ (490)	21.06%
GREG BLUNDEN	250	21	(229)	9.84%
WELLS FARGO BANK	322	161	(161)	6.92%
JENNIFER K. DOUNG	121	35	(86)	3.70%
Subtotal	2,327	1,361	(966)	42%
All Other Taxpayers	-	-	-	-
Total	<u>\$ 2,327</u>	<u>\$ 1,361</u>	<u>\$ (966)</u>	<u>41.51%</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, 2021.

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, 2021
 (in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
RICHARD N REESE FAMILY LLC	\$ 1,187	\$ 696	\$ (491)	37.86%
SSBZ LLC	55	2	(53)	4.09%
SSBZ LLC	55	2	(53)	4.09%
Subtotal	1,297	700	(597)	46.03%
All Other Taxpayers	-	-	-	-
Total	\$ 1,297	\$ 700	\$ (597)	46.03%

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, 2021.

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, 2021
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
GEM CROSSINGS LLC	\$ 93,250	\$ 78,108	\$ (15,142)	4.03%
GEM CROSSINGS LLC	93,250	78,108	(15,142)	4.03%
SSC SACRAMENTO APARTMENTS LLC	75,346	37,493	(37,853)	10.08%
ELEMENT DST NB	49,299	24,649	(24,650)	6.57%
TARGET CORP.	28,381	27,354	(1,027)	0.27%
ELEMENT DST NB	27,675	13,836	(13,839)	3.69%
ELEMENT DST NB	8,219	4,109	(4,110)	1.09%
Subtotal	375,420	263,657	(111,763)	29.77%
All Other Taxpayers	-	-	-	-
Total	<u>\$ 375,420</u>	<u>\$ 263,657</u>	<u>\$ (111,763)</u>	<u>29.77%</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, 2021.

City of Sacramento
Successor Agency Trust Fund
Top 10 Parcels Appealing Assessed Valuation - At Risk of Reduction ^{(1) (2)}
Railyards
As of June 30, 2021
(in thousands)

Assessee	Taxable Value ⁽³⁾	Assessee's Value ⁽³⁾	Value Difference	Percentage of Total Taxable Value
SIMS METAL MANAGEMENT	\$ 4,518	\$ 2,259	\$ (2,259)	14.08%
SIMS GROUP USA CORPORATION	3,236	2,051	(1,185)	7.39%
MARQUEE MEDAI SOLUTIONS LLC	1,785	1,173	(612)	3.81%
SIMS GROUP USA CORPORATION	1,413	707	(706)	4.40%
SIMS GROUP USA CORPORATION	1,243	806	(437)	2.72%
SIMS GROUP USA CORPORATION	1,017	773	(244)	1.52%
MARQUEE SACRAMENTO DIGITAL BILLBOARDS LLC	972	585	(387)	2.41%
SIMS METAL MANAGEMENT	929	464	(465)	2.90%
MARQUEE SACRAMENTO DIGITAL BILLBOARDS	930	585	(345)	2.15%
Subtotal	16,043	9,403	(6,640)	41.39%
All Other Taxpayers	-	-	-	-
Total	<u>\$ 16,043</u>	<u>\$ 9,403</u>	<u>\$ (6,640)</u>	<u>41.39%</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, 2021.

City of Sacramento
Successor Agency Trust Fund
Principal Property Taxpayers - Merged Downtown
Current Fiscal Year and Nine Years Ago
(in thousands)

Assessee	2021			2012		
	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)	\$ 320,347	1	6.79%	\$ -	-	-
Hancock SREIT Sacramento LLC	200,809	2	4.26%	-	-	-
SRI Eleven 621 Capitol Mall LLC	169,240	3	3.59%	-	-	-
Prime US-Park Tower LLC	167,215	4	3.54%	-	-	-
500 Capitol Mall LLC	148,974	5	3.16%	77,567	5	3.01%
PAC West Office Equities LP	144,900	6	3.07%	-	-	-
300 Capitol Mall Investors LP	130,882	7	2.77%	-	-	-
Sacramento CA I FGF LLC	106,706	8	2.26%	-	-	-
GSA Sacramento Newco LLC	99,929	9	2.12%	-	-	-
CA Sacramento Commons LLC	90,572	10	1.92%	-	-	-
Hines Sacramento Wells Fargo Center	-	-	-	206,544	1	8.02%
621 Capitol Mall	-	-	-	117,394	2	4.56%
300 Capitol Associates NF LP	-	-	-	109,000	3	4.23%
CIM/980 9th St Sacramento LP	-	-	-	96,602	4	3.75%
Capitol Regency LLC	-	-	-	71,823	6	2.79%
CIM/J Street Hotel Sacramento LP	-	-	-	71,154	7	2.76%
1325 J Street LLC	-	-	-	66,641	8	2.59%
1415 Meridian Plaza LLC/Valley View Investors	-	-	-	65,120	9	2.53%
Sacramento Equities REIT	-	-	-	61,000	10	2.37%
Subtotal	1,579,574		33.47%	942,845		36.63%
All Other Taxpayers	3,139,744		66.53%	1,631,127		63.37%
Total	\$ 4,719,318		100.00%	\$ 2,573,972		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2020-21 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	2021			2012		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
Research Properties	\$ 5,971	1	1.08%	\$ 5,146	1	1.74%
BM Ventures LLC	5,899	2	1.07%	5,084	2	1.72%
565 Display Way LLC	3,272	3	0.59%	-	-	-
John A/Leta K Nichols 1994 Rev Trust	3,144	4	0.57%	2,710	4	0.91%
Ramon Canyon Associates LP	2,930	5	0.53%	-	-	-
Ocean Queen USA LLC	2,930	6	0.53%	-	-	-
Reg Real Estate/Investments CA LLC	2,907	7	0.53%	-	-	-
US Rentals Inc	2,643	8	0.48%	2,417	6	0.82%
BM Ventures II LLC	2,639	9	0.48%	-	-	-
4555 Carmichael LLC	2,633	10	0.48%	-	-	-
Woodhaven Senior Residences	-	-	-	4,341	3	1.46%
Lundbom Family Trust	-	-	-	2,439	5	0.82%
Proffutt Limited Partnership	-	-	-	2,099	7	0.71%
23002 Moulton Parkway LLC	-	-	-	1,938	8	0.65%
Harry & Mariann Brix 1993 Family Trust	-	-	-	1,811	9	0.61%
Terkensha Associates	-	-	-	1,667	10	0.56%
Subtotal	34,968		6.35%	29,652		10.00%
All Other Taxpayers	515,943		93.65%	266,788		90.00%
Total	\$ 550,911		100.00%	\$ 296,440		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2020-21 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	2021			2012		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
Efren R Cota LTD	\$ 23,267	1	9.08%	\$ -	-	-
Hearst-Argyle Stations Inc	16,299	2	6.36%	21,508	1	17.26%
1000 G Street LLC	12,023	3	4.69%	-	-	-
J Squared Revocable Trust/Charles D Deloney	3,591	4	1.40%	-	-	-
1001 G State Rehabilitation Limited Partnership	3,062	5	1.20%	-	-	-
1220 E State LLC	3,062	6	1.20%	-	-	-
Tristar Stockton Properties LLC	2,627	7	1.03%	-	-	-
Duffin Gregg/Lynn Houlihan/Buzz Oates LLC/ETAL	2,454	8	0.96%	-	-	-
Ng-Yu Trust	2,313	9	0.90%	-	-	-
Paul F Goldsmith Rev Trust	2,198	10	0.86%	-	-	-
Crystal Cream/Butter Holdings, Inc	-	-	-	11,328	2	9.09%
Realty Advisors Inc	-	-	-	7,049	3	5.66%
City Park Apartment Homes	-	-	-	4,036	4	3.24%
520 Ninth St	-	-	-	2,115	5	1.70%
Janet Fortino Loehr Separate Prop Trust/Etal	-	-	-	1,988	6	1.60%
700 E Street Building Partner	-	-	-	1,942	7	1.56%
John Dailey Trust/Charles D Deloney	-	-	-	1,912	8	1.53%
GMA Investors LP	-	-	-	1,802	9	1.45%
Tarpin Samuel D	-	-	-	1,434	10	1.15%
Subtotal	70,896		27.67%	55,114		44.23%
All Other Taxpayers	185,336		72.33%	69,499		55.77%
Total	\$ 256,232		100.00%	\$ 124,613		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2020-21 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	2021			2012		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
Regents University CA (CY 4422Y LLC)	\$ 23,589	1	2.60%	\$ -	-	-
Regents of the University of CA	13,950	2	1.54%	-	-	-
Rainbow Baking Co of Sac Valley (BBU INC)	13,100	3	1.44%	52,628	1	12.04%
Great Chi Investment LLC	6,326	4	0.70%	-	-	-
Broadway/Stockton Food Source Inv LLC	5,840	5	0.64%	5,061	5	1.16%
Crestwood-Medical Center Hospital	4,914	6	0.54%	4,235	7	0.97%
Security Public Storage - Sacramento	4,277	7	0.47%	3,629	8	0.83%
JJAJ Ventures LP/Ventures JJAJ	3,822	8	0.42%	-	-	-
Edmar Invs LLC (Walgreens)	3,619	9	0.40%	3,119	9	0.71%
Broadway Triangle LLC	3,512	10	0.39%	-	-	-
University of the Pacific	-	-	-	19,702	2	4.51%
Shriners Hospitals for Crippled Children	-	-	-	11,509	3	2.63%
GCCFC 2005 GG5 Y Street Limited Partners	-	-	-	10,102	4	2.31%
Donald/Virginia Compton Family Trust	-	-	-	4,468	6	1.02%
Campbell Taggart Baking Companies Inc./Etal	-	-	-	2,163	10	0.49%
Subtotal	82,949		9.13%	116,616		26.67%
All Other Taxpayers	825,552		90.87%	320,583		73.33%
Total	\$ 908,501		100.00%	\$ 437,199		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2020-21 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	2021			2012		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
California Almond Growers Exchange	\$ 93,803	1	16.22%	\$ 70,591	1	16.05%
29SC T9 Phase A Property Owner LLC	43,600	2	7.54%	-	-	-
Grove River District LLC	38,707	3	6.69%	-	-	-
29SC BC Holding Company LLC	21,613	4	3.74%	-	-	-
Scannell Properties 310 LLC	17,808	5	3.08%	-	-	-
Bercut-Railyard LLC	15,765	6	2.73%	-	-	-
BRE/LQ Props LLC	8,964	7	1.55%	7,489	6	1.70%
444 N3	8,930	7	1.54%	-	-	-
DFN LLC	7,251	9	1.25%	-	-	-
Detmer Family Limited Partnership	7,076	10	1.22%	-	-	-
Grove Investment Company	-	-	-	33,357	2	7.59%
MLCFC 2007 9 Bercut Dr Limited Partners	-	-	-	18,229	3	4.15%
Mendell Allan/ETAL	-	-	-	12,798	4	2.91%
Capitol Station 665 LLC	-	-	-	9,602	5	2.18%
C/J Warehouse	-	-	-	6,595	7	1.50%
Bank of America	-	-	-	6,241	8	1.42%
Dos Rios Venture	-	-	-	6,161	9	1.40%
Vida N Anello Revocable Living Trust	-	-	-	5,141	10	1.17%
Subtotal	263,517		45.58%	176,204		40.07%
All Other Taxpayers	314,682		54.42%	263,492		59.93%
Total	\$ 578,199		100.00%	\$ 439,696		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2020-21 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	2021			2012		
	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	\$ 40,286	1	4.94%	\$ 31,030	1	5.52%
Roseville Life Properties	39,199	2	4.81%	-	-	-
Woodlake Care Group LLC	28,556	3	3.50%	-	-	-
Price Company	25,035	4	3.07%	21,598	2	3.84%
Omninet Sacramento Jardinette LLC/ETAL	17,424	5	2.14%	-	-	-
Sacramento Healthcare Investors LP	16,426	6	2.01%	-	-	-
McCuen Acoma Street Investors	13,434	7	1.65%	11,577	7	2.06%
SSCA 1300 EL Camino Ave LLC	9,382	8	1.15%	-	-	-
Recreational Equipment Inc	7,590	8	0.93%	-	-	-
Sent Expo Pointe LLC	7,200	10	0.88%	-	-	-
Shri Gowri Ganesha Real Estate, LLC	-	-	-	14,696	3	2.62%
Merlliz Inc	-	-	-	14,559	4	2.59%
JB Management LP	-	-	-	13,109	5	2.33%
JBDB Management LP	-	-	-	11,692	6	2.08%
North Sacramento Land Company	-	-	-	10,324	8	1.84%
Radiological Assoc of Sacto Medical Group	-	-	-	7,877	9	1.40%
Sent Expo Pointe LLC	-	-	-	7,584	10	1.35%
Subtotal	204,532		25.07%	144,046		25.64%
All Other Taxpayers	611,261		74.93%	417,768		74.36%
Total	\$ 815,793		100.00%	\$ 561,814		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2020-21 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	2021			2012		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
6200 Franklin LLC	\$ 21,178	1	3.13%	\$ -		-
United States Cold Storage	10,762	2	1.59%	9,243	2	1.56%
Hillside Apartments LLC	8,260	3	1.22%	-		-
Sacramento Children's Home (Garfield Beach CVS LLC)	8,075	4	1.19%	-		-
Greystone Place Invs LLC	7,492	5	1.11%	-		-
ARB Invs	7,382	6	1.09%	-		-
Sacto Childrens Home	7,016	7	1.04%	-		-
Rosedown Associates LLC	6,743	8	1.00%	6,732	3	1.13%
ABF Freight System Inc.	5,363	9	0.79%	5,071	5	0.85%
ESS CA-TIVS JV CA Reit Sub Limited Partnership	4,869	10	0.72%	-		-
Campbell Soup Supply Co LLC	-		-	141,205	1	23.80%
Extra Space Franklin Blvd. LLC	-		-	5,108	4	0.86%
Western Village LP	-		-	9,467	6	1.60%
Sei/PSP Vi Joint Ventures	-		-	4,135	7	0.70%
Bowling Green Associates	-		-	3,977	8	0.67%
Con-Way Western Express Inc.	-		-	3,657	9	0.62%
47th Street Associates LLC	-		-	3,571	10	0.60%
Subtotal	87,140		12.86%	192,166		32.39%
All Other Taxpayers	590,445		87.14%	401,047		67.61%
Total	\$ 677,585		100.00%	\$ 593,213		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2020-21 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	2021			2012		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
Stockton Plaza Partners LLC	\$ 19,403	1	3.25%	\$ 12,147	1	3.26%
Karma Apartments LLC	15,964	2	2.68%	-		-
EKG Investors LLC/SCT Investors LLC/ETAL	14,260	3	2.39%	11,154	2	2.99%
Sustained Invs LLC	11,794	4	1.98%	-		-
ESS Ca-Tivs Jv Ca Reit Sub LP	10,101	5	1.69%	-		-
John M/Nancy Kehriotis Living Trust	8,581	6	1.44%	7,395	3	1.98%
OAHS Shiloh Apartments LP	8,109	7	1.36%	-		-
Monument Properties Sacramento LLC	8,011	8	1.34%	-		-
NT Stockton Investors LLC	7,940	9	1.33%	6,681	5	1.79%
Long Sight Properties LLC	6,846	10	1.15%	-		-
BE Saigon Plaza LLC	-		-	7,237	4	1.94%
LSREF2 Clipper II LLC	-		-	6,630	6	1.78%
Brittany Arms	-		-	5,660	7	1.52%
IP Sac Commercial LLC	-		-	5,644	8	1.51%
ESS Prisca II LLC	-		-	4,758	9	1.28%
Mulleian Investment LLC	-		-	4,662	10	1.25%
Subtotal	111,009		18.62%	71,968		19.30%
All Other Taxpayers	485,301		81.38%	300,952		80.70%
Total	\$ 596,310		100.00%	\$ 372,920		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2020-21 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	2021			2012		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
SBM Realty LLC	\$ 32,224	1	3.13%	\$ -	-	-
Cascade Village Apartments II LP	16,257	2	1.58%	-	-	-
Elder Crk Transf/Recov Inc (Allied Waste Indus Inc)	14,669	3	1.42%	11,371	3	1.23%
Watt Elder Creek Holdings LLC	12,985	4	1.26%	-	-	-
Pitalo John E	5,110	5	0.50%	-	-	-
Power Inn Business Park LLC	4,939	6	0.48%	-	-	-
Kennedy Estates Housing Associates	3,795	7	0.37%	-	-	-
PW Fund B LP	3,411	8	0.33%	-	-	-
AVJOG Sacramento LLC	2,865	9	0.28%	-	-	-
Preet LLC	2,810	10	0.27%	-	-	-
Engineered Polymer Solutions Inc.	-	-	-	15,847	1	1.71%
R/G Hayward LLC	-	-	-	15,527	2	1.68%
Buzz Oates LLC	-	-	-	9,718	4	1.05%
Ballantyne Diana S/Mark C/Jan W Leo	-	-	-	7,986	5	0.86%
Air Products Manufacturing Corporation	-	-	-	7,868	6	0.85%
C/S Logistics Sacramento/Tracy LLC	-	-	-	7,131	7	0.77%
A/W Investments LLC	-	-	-	5,866	8	0.63%
Teichert Land Co	-	-	-	5,721	9	0.62%
Viviion Shops LLC	-	-	-	5,221	10	0.56%
Subtotal	99,065		9.61%	92,256		9.95%
All Other Taxpayers	931,900		90.39%	834,634		90.05%
Total	\$ 1,030,965		100.00%	\$ 926,890		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2020-21 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	2021			2012		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
Gem Crossings LLC	\$ 94,216	1	18.09%	\$ -	-	-
NB Element DST	86,076	2	16.53%	-	-	-
SSC Sacramento Apartments LLC	76,126	3	14.62%	-	-	-
Target Corporation	28,859	4	5.54%	26,486	2	10.33%
ACEF-Martin Folsom LLC	17,778	5	3.41%	-	-	-
Jackson IV LLC	17,602	6	3.38%	-	-	-
CPCA 7716 Folsom Blvd LLC	11,387	7	2.19%	-	-	-
2750 Redding Avenue CB LLC	8,363	8	1.61%	-	-	-
A&A 6700 LLC/Candace Schurkamp	5,860	9	1.13%	-	-	-
Dimension Properties LLC	5,656	10	1.09%	5,671	6	2.21%
Valeo Sacramento LLC	-	-	-	33,900	1	13.22%
65th St Village LLC	-	-	-	8,700	3	3.39%
Farming Company Folsom Blvd LLC etal	-	-	-	7,560	4	2.95%
Atlas Disposal Industries	-	-	-	6,477	5	2.53%
KCMC Properties, LP/Paul E Fong/MAE Etal	-	-	-	5,799	7	2.26%
Kenneth/Susan Catchot Family 2005 Revocable Trust	-	-	-	4,945	8	1.93%
American River Self Storage LP	-	-	-	4,836	9	1.89%
2800 Pico Associates LLC	-	-	-	4,142	10	1.62%
Subtotal	351,923		67.56%	108,516		42.32%
All Other Taxpayers	168,948		32.44%	147,910		57.68%
Total	\$ 520,871		100.00%	\$ 256,426		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2020-21 Project Area total taxable value.

City of Sacramento
Successor Agency Trust Fund
Principal Property Taxpayers - Railyards
Current Fiscal Year and Nine Years Ago
(in thousands)

Assessee	2021			2012		
	Taxable Value ⁽¹⁾	Rank	Percentage of Total Taxable Value ⁽²⁾	Taxable Value	Rank	Percentage of Total Taxable Value
Kaiser Foundation Hosps	\$ 34,395	1	30.02%	\$ -	-	-
Downtown Railyard Venture LLC	15,720	2	13.72%	-	-	-
Pac West Office Equities LP	15,253	3	13.31%	-	-	-
1238 Sutter Street LLC	7,934	4	6.92%	-	-	-
Mercy Housing CA 47	5,749	5	5.02%	3,060	7	3.59%
Sutter HOJ LP	5,200	6	4.54%	-	-	-
Sacramento Co Emp Credit Union	4,774	7	4.17%	4,073	5	4.78%
PDRA/Company LLC	4,208	8	3.67%	3,627	6	4.26%
PLF BLDG LLC	3,964	9	3.46%	-	-	-
Sacramento 695 LP	3,764	10	3.28%	-	-	-
IA Sacramento Development LLC	-	-	-	32,436	1	38.06%
CCAA Partners LLC/Bruce W. Bell/Etal	-	-	-	15,234	2	17.88%
New Baytree LLC	-	-	-	8,600	3	10.09%
REA Limited Partnership	-	-	-	5,514	4	6.47%
Strumwasser Michael J/Silvia M	-	-	-	2,998	8	3.52%
Bowman/Bay Building Joint Venture	-	-	-	2,169	9	2.55%
CNPA Services Inc.	-	-	-	1,630	10	1.91%
Subtotal	100,961		88.11%	79,341		93.10%
All Other Taxpayers	13,627		11.89%	5,876		6.90%
Total	\$ 114,588		100.00%	\$ 85,217		100.00%

Notes: (1) Based on ownership of locally-assessed secured and unsecured real property net of exemptions.
(2) Based on total adjusted 2020-21 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
2012	\$ 42,334	\$ 726	\$ 2,911	\$ 38,698	\$ 22,120	1.75	\$ 6,008	\$ 28,128	1.38 (1)
2013	41,304	745	2,556	38,003	22,087	1.72	6,619	28,706	1.32
2014	42,684	687	3,037	38,960	24,896	1.56	5,123	30,019	1.30 (3)
2015	43,657	649	3,911	39,097	21,937	1.78	9,158	31,095	1.26
2016	49,142	690	5,766	42,686	11,794	3.62	15,610	27,404	1.56 (4)
2017	53,765	709	1,201	51,855	11,793	4.40	14,059	25,852	2.01
2018	67,464	823	11,550	55,091	398	138.42	24,270	24,668	2.23 (5)
2019	73,805	867	13,766	59,172	10,423	5.68	15,194	25,617	2.31 (6)
2020	84,030	955	16,751	66,324	683	97.11	15,173	15,856	4.18 (7)
2021	87,253	991	17,657	68,605	18,133	3.78	6,231	24,364	2.82 (8)

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
2012	\$ 23,750	\$ 406	\$ 807	\$ 22,537	\$ 16,254	1.39	\$ 2,608	\$ 18,862	1.19 (1)
2013	23,260	419	652	22,189	16,298	1.36	2,655	18,953	1.17
2014	23,042	372	580	22,090	16,245	1.36	4,188	20,433	1.08 (2)
2015	23,121	350	1,071	21,700	16,242	1.34	4,980	21,222	1.02
2016	27,081	372	2,415	24,294	11,395	2.13	146	11,541	2.11 (4)
2017	27,978	376	485	27,117	11,395	2.38	146	11,541	2.35
2018	37,146	451	5,665	31,030	-	-	146	146	212.53 (5)
2019	38,341	459	6,191	31,691	10,025	3.16	43	10,068	3.15
2020	41,309	481	6,997	33,831	-	-	43	43	786.77
2021	41,241	478	6,975	33,788	16,965	1.99	43	17,008	1.99

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
2012	\$ 2,551	\$ 44	\$ 199	\$ 2,307	\$ 1,769	1.30	\$ 100	\$ 1,869	1.23 (1)
2013	2,549	46	194	2,309	1,644	1.40	240	1,884	1.23
2014	2,853	44	245	2,564	1,618	1.58	230	1,848	1.39
2015	3,149	44	337	2,768	1,618	1.71	231	1,849	1.50
2016	3,190	45	384	2,761	-	-	14	14	197.21 (4)
2017	3,524	45	100	3,379	-	-	14	14	241.36
2018	3,978	50	638	3,290	-	-	14	14	235.00
2019	4,406	52	785	3,569	-	-	14	14	254.93
2020	5,032	57	977	3,998	285	14.03	14	299	13.37
2021	5,491	61	1,125	4,305	770	5.59	14	784	5.49

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.

(7) Total Debt Service includes \$21,839 related to the 2015 Tax Allocation Refunding Bonds, Series A and B not allocated between project areas.

(8) Total Debt Service includes \$4,221 related to the 2015 Tax Allocation Refunding Bonds, Series A and B not allocated between project areas. 2015 Tax Allocation Refunding Bonds, Series B were paid off in 2021.

Source: County of Sacramento, Office of Auditor/Controller

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	
2012	\$ 1,077	\$ 18	\$ 19	\$ 1,039	\$ 622	1.67	\$ 463	\$ 1,085	0.96	(1)
2013	1,049	19	10	1,020	623	1.64	467	1,090	0.94	
2014	1,028	16	9	1,003	612	1.64	461	1,073	0.93	
2015	1,148	16	64	1,068	613	1.74	464	1,077	0.99	
2016	1,111	17	67	1,027	-	-	466	466	2.20	(4)
2017	1,347	17	26	1,304	-	-	469	469	2.78	
2018	1,791	29	317	1,445	-	-	471	471	3.07	
2019	2,075	24	424	1,627	-	-	472	472	3.45	
2020	2,278	27	496	1,755	-	-	474	474	3.70	
2021	2,568	29	603	1,936	-	-	476	476	4.07	

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	
2012	\$ 3,772	\$ 63	\$ 150	\$ 3,559	\$ 2,756	1.29	\$ 103	\$ 2,859	1.24	(1)
2013	3,841	67	151	3,623	2,794	1.30	183	2,977	1.22	
2014	4,364	67	244	4,053	2,752	1.47	173	2,925	1.39	(2)
2015	4,522	63	385	4,074	2,755	1.48	178	2,933	1.39	
2016	4,915	70	613	4,232	-	-	34	34	124.47	(4)
2017	5,843	75	176	5,592	-	-	34	34	164.47	
2018	6,213	79	1,091	5,043	-	-	34	34	148.32	
2019	7,160	84	1,465	5,611	-	-	34	34	165.03	
2020	8,079	92	1,777	6,210	-	-	34	34	182.65	
2021	8,578	95	1,961	6,522	-	-	34	34	191.82	

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	
2012	\$ 1,372	\$ 25	\$ 246	\$ 1,100	\$ -	-	\$ 494	\$ 494	2.23	(1)
2013	1,294	26	227	1,041	-	-	654	654	1.59	
2014	1,025	20	259	746	-	-	646	646	1.15	(3)
2015	1,542	23	280	1,239	-	-	642	642	1.93	
2016	1,544	22	288	1,234	-	-	229	229	5.39	(4)
2017	1,633	22	29	1,582	-	-	229	229	6.91	
2018	1,793	23	338	1,432	-	-	230	230	6.23	
2019	2,203	25	428	1,750	-	-	228	228	7.68	
2020	2,897	28	614	2,255	-	-	228	228	9.89	
2021	3,176	34	704	2,438	-	-	228	228	10.69	

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	
2012	\$ 2,439	\$ 44	\$ 187	\$ 2,208	\$ 539	4.10	\$ 629	\$ 1,168	1.89	(1)
2013	2,323	44	165	2,114	537	3.94	779	1,316	1.61	
2014	2,303	38	247	2,018	524	3.85	778	1,302	1.55	(2)
2015	2,689	37	262	2,390	530	4.51	772	1,302	1.84	
2016	2,819	40	282	2,497	218	11.45	375	593	4.21	(4)
2017	2,951	41	-	2,910	218	13.35	374	592	4.92	
2018	3,229	40	323	2,866	218	13.15	377	595	4.82	
2019	3,824	45	388	3,391	218	15.56	375	593	5.72	
2020	4,754	53	475	4,226	218	19.39	372	590	7.16	
2021	5,325	60	532	4,733	218	21.71	374	592	7.99	

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	
2012	\$ 2,225	\$ 39	\$ 184	\$ 2,002	\$ -	-	\$ 100	\$ 100	20.02	(1)
2013	2,354	41	195	2,118	-	-	109	109	19.43	
2014	2,414	38	189	2,187	-	-	99	99	22.09	
2015	952	24	117	811	-	-	99	99	8.19	(3)
2016	1,640	23	116	1,501	-	-	41	41	36.61	
2017	2,050	25	-	2,025	-	-	41	41	49.39	
2018	2,511	30	217	2,264	-	-	41	41	55.22	
2019	2,826	33	256	2,537	-	-	41	41	61.88	
2020	3,101	36	285	2,780	-	-	41	41	67.80	
2021	3,493	39	331	3,123	-	-	41	41	76.17	

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	
2012	\$ 1,496	\$ 26	\$ 387	\$ 1,083	\$ 180	6.02	\$ 250	\$ 430	2.52	(1)
2013	1,369	24	329	1,016	191	5.32	261	452	2.25	
2014	1,420	24	377	1,019	180	5.66	245	425	2.40	
2015	1,755	24	446	1,285	180	7.14	246	426	3.02	
2016	1,933	28	526	1,379	180	7.66	149	329	4.19	(4)
2017	2,238	28	65	2,145	180	11.92	149	329	6.52	
2018	2,598	33	770	1,795	180	9.97	167	347	5.17	
2019	2,966	35	911	2,020	180	11.22	169	349	5.79	
2020	3,418	38	1,072	2,308	180	12.82	146	326	7.08	
2021	3,892	43	1,247	2,602	180	14.46	148	328	7.93	

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.

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
2012	\$ 2,617	\$ 44	\$ 523	\$ 2,050	\$ -	-	\$ 737	\$ 737	2.78 (1)
2013	2,342	43	452	1,847	-	-	748	748	2.47
2014	3,200	50	643	2,507	-	-	735	735	3.41
2015	3,556	50	699	2,807	-	-	739	739	3.80
2016	3,944	56	847	3,041	-	-	267	267	11.39 (2)
2017	4,579	58	236	4,285	-	-	267	267	16.05
2018	5,428	67	1,376	3,985	-	-	268	268	14.87
2019	6,755	73	1,882	4,800	-	-	266	266	18.05
2020	8,590	94	2,540	5,956	-	-	266	266	22.39
2021	9,002	102	2,692	6,208	-	-	265	265	23.43

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
2012	\$ 1,035	\$ 17	\$ 207	\$ 811	\$ -	-	\$ 524	\$ 524	1.55 (1)
2013	923	16	181	726	-	-	523	523	1.39
2014	834	14	185	635	-	-	506	506	1.25
2015	1,030	14	197	819	-	-	500	500	1.64
2016	1,067	16	228	823	-	-	388	388	2.12 (2)
2017	1,540	19	79	1,442	-	-	388	388	3.72
2018	2,578	29	784	1,765	-	-	387	387	4.56
2019	3,249	37	1,036	2,176	-	-	386	386	5.64
2020	4,572	49	1,518	3,005	-	-	389	389	7.72
2021	4,487	50	1,487	2,950	-	-	387	387	7.62

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,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Citywide and community support	-	23	23	21	5	5	5	5	5	7
Community development	166	159	163	166	219	227	250	273	288	290
Convention and cultural services	194	133	138	126	120	116	115	115	115	117
Economic development	14	11	11	11	11	12	- ⁽²⁾	-	-	-
Fire	589	527	642	657	674	678	672	681	712	713
General government	312	305	320	325	370	431	512	531	571	576
General services	225	368	367	372	- ⁽¹⁾	-	-	-	-	-
Youth, parks, and community enrichment	579	553	577	568	599	683	616	619	702	705
Police	900	847	940	973	1,033	1,052	1,030	1,034	1,070	1,098
Public works	-	395	406	415	732	725	723	735	736	744
Transportation	409	-	-	-	-	-	-	-	-	-
Utilities	698	505	510	522	538	528	546	562	575	570
Total	4,086	3,826	4,097	4,156	4,301	4,457	4,469	4,555	4,774	4,820

Notes: (1) The Department of General Services has been reallocated to the Departments of Community Development, General Government, and Public Works.
(2) The Economic Development function was reallocated to the General Government function in FY18.

**City of Sacramento
Operating Indicators by Function/Program
Last Ten Fiscal Years**

Function/program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Adult arrests	17,058	18,650	19,570	18,113	16,778	14,476	13,350	13,975	12,981	12,070
Citizen initiated calls for service with officer responses	154,193	154,233	118,975	141,181	149,275	148,663	152,597	161,914	163,985	153,740
Fire ⁽¹⁾										
Number of incidents	73,343	74,427	75,000	80,596	85,742	90,018	92,026	93,836	94,282	99,201
Number of structure fires	652	680	586	784	756	735	767	998	1,077	1,522
Number of construction inspection/reviews	1,895	4,568 ⁽⁶⁾	4,761	3,234	4,181	8,268 ⁽¹⁷⁾	10,102	9,830	9,967	8,256
General services										
Number of animal licenses issued	17,318	15,810 ⁽⁷⁾	15,057	8,995	12,016 ⁽¹⁵⁾	14,428	23,799	31,507	26,670 ⁽³⁰⁾	17,155 ⁽³¹⁾
Number of animal outplacements	3,750	5,521 ⁽⁸⁾	6,167	7,447	8,789	9,248	9,589	8,529	7,488 ⁽³⁰⁾	4,448 ⁽³¹⁾
Public works										
Number of traffic investigations completed	717	821	936	678	896	1,001	1,041	613	611	997 ⁽³⁷⁾
Number of parking citations issued	164,492	165,700	171,066	196,586	192,708	183,326	197,170	200,338	156,387 ⁽²⁷⁾	100,244 ⁽³²⁾
Convention and cultural services										
Number of Community Convention Center events	389	378	378	358	408	430	372	229	38 ⁽²⁶⁾	- ⁽³⁸⁾
Community Convention Center event attendance	796,000	645,000 ⁽⁹⁾	881,253	775,253	744,145	905,733 ⁽¹⁸⁾	1,034,980	902,110	155,633 ⁽²⁶⁾	- ⁽³⁸⁾
Number of Zoo attendance	526,959	508,061	512,758	549,407	533,368	500,573	500,535	472,440	357,754 ⁽²⁸⁾	486,707 ⁽³⁵⁾
Youth, parks, and community enrichment										
Number of students enrolled in START	5,755 ⁽²⁾	5,330	5,603	6,897	4,534 ⁽¹⁶⁾	2,785 ⁽¹⁹⁾	711 ⁽²¹⁾	477	473	648 ⁽³⁶⁾
Number of students enrolled in 4th R ⁽⁷⁾	1,899	1,949	1,955	2,007	1,863	1,180	2,419 ⁽²²⁾	2,250	1,778 ⁽²⁵⁾	160 ⁽³³⁾
Number of lunches served through food programs	42,848 ⁽³⁾	- ⁽¹⁰⁾	-	-	-	-	-	-	-	-
Community development ⁽¹²⁾										
Number of building permits issued	11,545	12,146	13,950	14,002	17,041	18,701	20,582	19,365	18,513	18,556
Building permit valuation (in million of dollars)	281	391	362	544	778	1,267	1,243	1,809	1,463	1,451
Vehicles abated by City	254 ⁽⁴⁾	282	343	356	772	1,644	2,306	2,880	5,325 ⁽²³⁾	3,026
Notice and orders issued on housing and dangerous buildings	188 ⁽⁵⁾	253	154	279	239	206	382	369	243 ⁽²⁴⁾	177 ⁽³⁴⁾
Water										
Number of accounts	137,148	135,353	135,590	134,971	136,130	139,238	140,735	142,831	144,669	145,769
Amount distributed/pumped (million of gallons) ⁽²⁹⁾	38,692	40,034	34,896	29,557	27,324	28,511	30,800	28,478	33,845	30,380
Wastewater										
Number of accounts	76,477	76,484	76,657	76,471	76,849	77,137	77,521	78,125	78,583	78,932
Amount distributed/pumped (million of gallons)	10,695	6,805 ⁽¹¹⁾	10,603	10,605	10,605	10,605	9,025	6,356	6,619	5,754
Storm drainage										
Number of accounts	133,814	134,651	135,834	136,850	137,754	139,198	140,934	142,858	144,168	145,179
Amount distributed/pumped (million of gallons)	28,445	17,602	14,585 ⁽¹³⁾	24,179	20,225	46,964 ⁽²⁰⁾	18,321 ⁽²⁰⁾	33,624 ⁽²⁰⁾	11,247 ⁽²⁰⁾	7,858 ⁽²⁰⁾
Solid waste										
Residential garbage disposed (in Tons)	106,085	109,141	109,060	111,140	112,497	118,355	118,437	136,049	129,359	141,185
Commercial garbage collected (in Tons)	12,251	1,222	- ⁽¹⁴⁾	-	-	-	-	-	-	-

Notes: (1) The threshold for investigation of a fire is \$30,000.
(2) 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.
(3) In FY12, the number of lunches served through food programs decreased significantly because the federal grant for this program ended in September 2011.
(4) 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.
(5) 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.
(6) 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.
(7) In FY13, the number of animal licenses issued declined largely due to economic downturn as pet owners make tough choices licensing suffered.
(8) Partnership with outside agencies in California and other states resulted in an increase in the number of animal outplacements in FY13.
(9) 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.
(10) In FY13, the summer food program is terminated.
(11) 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.
(12) Prior to FY13, reported as Development and Code Enforcement Departments.
(13) Amount of storm drainage distributed/pumped is dependent on rainfall. There was less rainfall in FY14 than in FY13 and FY12.
(14) Solid Waste commercial garbage collection was discontinued.
(15) In FY16, the number of animal licenses issued increased due to the implementation of web licensing.
(16) In FY16 attendance for the START program decreased due to Elk Grove School District not participating in the program.
(17) In FY17, the number of construction inspections doubled.
(18) In FY17, the number of attendance increased due to increase in events held at the center.
(19) 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).
(20) Amount of storm drainage distributed/pumped is dependent on rainfall.
(21) In FY18, the number of students enrolled in START decreased due to reduced funding and non renewal of 21st century federal grant.
(22) 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.
(23) In FY 20, the number of vehicles abated by City increased significantly due to several reasons: Increase in complaints of abandoned vehicles, staffing of five ACEO's solely dedicated to the removal of abandoned vehicles from street, and the use of dashboards to decrease response time which led to increased productivity.
(24) In FY20, the number of complaints for housing and dangerous buildings declined largely due to COVID-19. Housing and Dangerous building staff were told to be lenient toward property owners, therefore Notice and Orders issued on Housing and Dangerous buildings decreased compared to prior year.
(25) In FY20, the number of students enrolled in 4th R decreased due to sites closing on March 16, 2020 related to COVID-19.
(26) In FY20, the number of events and attendance at the Convention Center declined due to two reasons. First, the Convention Center is closed for renovation from July 2019-December 2020. Secondly, due to the COVID-19 outbreak in March 2020, no events are being hosted for the foreseeable future. This resulted in a significant impact on the occupancy rate and operating net results.
(27) In FY20, the decrease in the number of parking citations issued was due to business closures during COVID-19.
(28) In FY20, the decrease in the number of zoo attendance was due to COVID-19. The zoo was completely closed from March 14, 2020 to June 12, 2020, and re-opened with capacity constraints that remain in place and have impacted total zoo attendance.
(29) The amount of water pumped, treated and delivered to the water distribution system is a function of customer demand for water. There are many factors that cause fluctuation from year to year such as growth in customer base, requests for wholesale delivery of water rather than other neighboring utilities utilizing their own supply, changes in retail demand for water to support commercial activity or indoor retail use, and changes in irrigation practices.
(30) In FY20, there was a decrease in the number of animal licenses issued and the number of animal outplacements due to decreased intake of animals as a result of the COVID-19 pandemic.
(31) In FY21, similar to FY20, there was a decrease in the number of animal licenses issued and the number of animal outplacements due to decreased intake of animals as a result of the COVID-19 pandemic.
(32) In FY21, similar to FY20, the decrease in the number of parking citations issued was due to business closures during COVID-19.
(33) In FY21, similar to FY20, the number of students enrolled in 4th R decreased due to sites closing related to COVID-19. During FY21, out of the 19 sites, 6 were open and were only allowed up to 30 children per site due to social distancing.
(34) In FY21, similar to FY20, the number of complaints for housing and dangerous buildings declined largely due to COVID-19. Housing and Dangerous building staff were told to be lenient toward property owners, therefore Notice and Orders issued on Housing and Dangerous buildings decreased.
(35) The zoo re-opened in June 2020 with capacity constraints and, in FY21, as COVID-19 restrictions started to ease, there was an increase in total zoo attendance.
(36) In FY21, the number of students enrolled in START increased due to the change in programming related to COVID-19. Staff was able to support more students as they went into their schools. Additionally, a change in the grant due to COVID, every time staff worked with a child they were able to "count" that child as a participant in the program so the pool of participants was a lot larger (entire student body) rather than the normal MOU of 83 students per site.
(37) In FY21, the number of traffic investigations completed increased due to several factors: (1) Unlike prior years, all investigative calls were documented in one place. (2) Increased traffic concerns. (3) The increase in bike rack requests/installations are all investigated and work orders are written. (4) Collision reports have more than doubled, and have needed extra help to document.
(38) In FY21, the Convention Center was closed for renovation, thus there was no activity.

Source: Various City of Sacramento Departments

**City of Sacramento
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

Function/program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Number of stations ⁽¹⁾	4	4	4	4	4	4	4	4	4	4
Police										
Number of patrol units ⁽²⁾	242	263	243	226	231	234	229	190	195	224
Number of aircraft	4	4	4	4	4	4	5	5	5	5
Number of watercraft	3	3	3	2 ⁽¹¹⁾	2	5	4	4	4	4
Fire										
Number of stations	24	24	24	24	24	24	24	24	24	24
Number of fire suppression, support or prevention vehicles	159	159	159	159	162	162	162	162	162	166
Number of watercraft	NA	NA	NA	1 ⁽¹¹⁾	1	1	6	6	6	6
Public works										
Miles of streets	3,108	3,065	3,077	3,059	3,059	3,075	3,062	3,118	3,118	3,118
Number of street lights	41,679	41,788	42,048	42,225	42,627	42,914	43,223	43,438	38,985 ⁽¹⁶⁾	39,372
Number of City public parking spaces ⁽³⁾	8,484	8,484	8,484	4,775 ⁽¹²⁾	4,775	4,775	4,775	4,775	5,489 ⁽³⁾	5,620
Number of City leased parking spaces ⁽¹³⁾	110	110	110	519	2,298	2,298	2,298	2,298	2,349	2,298
Miles of off-street bikeways	82	83	84	57	57	57	88	88	88	78
Youth, parks, and community enrichment										
Number of parks	213	222	222	222	225	227	227	213	220	230
Park acreage ⁽⁵⁾	3,150 ⁽⁹⁾	3,161 ⁽¹⁰⁾	3,161	3,161	3,183	3,177	3,177	3,340	4,265 ⁽¹⁵⁾	4,829
Number of community centers ⁽⁶⁾	13	13	13	13	13	13	14	14	14	13
Number of swimming pools (including wading pools)	26	26	26	26	27	27	27	27	27	28
Water										
Miles of water mains and distribution lines ^{(7) (8)}	1,599	1,599	1,597	1,727	1,599	1,604	1,607	1,603	1,607	1,616
Sewers and storm drainage										
Miles of sanitary sewers and storm drainage	1,951	1,951	1,951	1,873	1,869	1,876	1,960	1,961	1,967	1,968
Off-street parking										
Number of City public garages and open parking lots ⁽⁴⁾	10	10	10	7 ⁽¹²⁾	7	7	7	7	10	13
Number of City leased garages and open parking lots ⁽¹⁴⁾	1	1	1	3	7	7	7	7	8	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) Police stations refer to stations plus police headquarters.
(2) Patrol units include cars and motorcycles.
(3) City public parking spaces is defined as only those which are City-owned. From FY2020 onwards, spaces reported includes City-owned lots managed by the Parking division.
(4) From FY2020 onwards, City public garages and open parking lots includes City-owned lots managed by the Parking division.
(5) Golf course acreage is not included.
(6) Neighborhood centers are not included.
(7) Water mains are pipes over 12" in size. Pipes 12" or less are considered Distribution Lines. Service Mains and Hydrant Mains are excluded.
(8) Does not include miles for private mains and mains owned by other agencies.
(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 August 2014.
(13) City leased parking spaces is defined as owned by other organizations leased by the City.
(14) City leased parking garages, lots and spaces are defined as owned by other organizations leased by the City.
(15) In FY2020, the increase in park acreage is due to several factors. (1) Refined the park acreages via GIS and now using APN lot sizes. (2) Included golf courses, camp Sacramento, and parkway's acreage. (3) Added a few new parks.
(16) The decrease in the number of street lights is due a change in the calculation method. In the prior years, engineers counted SMUD/Park lights, which did not match with OneMap. Beginning in FY20 the figure does not include SMUD/Park lights and is consistent with OneMap.

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	
	2021	2012
Number of budgeted positions	4,820	4,083
Area in square miles	98	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)	731/292	683/255
Number of patrol units	224	242
Fire		
Number of stations	24	24
Number of fire personnel sworn / unsworn	644/68.5	547/42
Number of fire protection, support and prevention vehicles	166	159
Utilities		
Miles of water mains and distribution lines ⁽¹⁾	1,616	1,599
Annual water production in gallons	30 billion	39 billion
Miles of sanitary sewers and storm drainage	1,968	1,951
Public works		
Miles of streets	3,118	3,108
Number of street lights	39,372	41,679
Number of City managed parking lots / spaces	20/3,935	21/10,465
Miles of off-street bikeways	78	82
Boat harbor slips	475	475
Convention and cultural services		
Golf courses	6	6
Zoo animals ⁽²⁾	459	511
Fairy tale town attendance for year	91,521	238,776
Crocker Art Museum attendance for year	43,000	249,617
Community Convention Center attendance for year ⁽⁶⁾	0	796,000
Youth, parks, and community enrichment		
Parks	230	213
Park acreage ⁽³⁾	4,829	3,150
Camp Sacramento attendance for year	787	2,487
Community centers	13	13
Neighborhood centers	4	5
Swimming pools	28	26
Baseball fields ⁽⁴⁾	96	99
Soccer fields	127	129
Ball courts	232	176
Library		
Library branches ⁽⁵⁾	28	12
Library books and audiovisual recordings in circulation	1,495,573	813,552

Notes: (1) Water mains are pipes over 12" in size. Pipes 12" or less are considered Distribution Lines. 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 in this figure.

(4) This includes softball, little league and adult baseball fields.

(5) FY2021 figures include all city and county branches operated by the Sacramento Public Library System. FY2012 figures include only city branches operated by the Sacramento Public Library system.

(6) In FY2021, the Community Convention Center was closed for renovation.

(7) In FY2021, the COVID-19 pandemic significantly reduced attendance due to closure of facilities, stay-at-home orders, and social distancing efforts.