City of Sacramento
Annual Continuing Disclosure Report
Fiscal Year 2012/13

Issue	Sacramento City Financing Authority 2006 Capital Improvement Revenue Bonds Series A & B	
Par	Series A $95,900,000	Series B $55,235,000
Issued	June 15, 2006	June 15, 2006
CUSIP Numbers	785849SJ0 785849SK7 785849SL5 785849SM3 785849SN1 785849SP6 785849SQ4 785849SR2 785849SS0 785849ST8 785849SU5 785849SV3 785849SW1 785849SX9 785849SY7 785849SZ4	785849TG5 785849TH3 785849TJ9 785849TK6 785849TL4 785849TM2

<u>Content of Annual Report.</u>

The City's Annual Report shall contain or incorporate by reference the following:

(a) The City's comprehensive audited financial report for the prior fiscal year.

The City's Comprehensive Annual Financial Report (CAFR) for the prior fiscal year has been uploaded as a separate document. The CAFR is also available on the city's website at: http://www.cityofsacramento.org/finance/accounting/reporting.cfm

(b) The Annual Budget of the City for the current fiscal year.

The City's Approved Budget for the current fiscal year has been uploaded as a separate document and is also available on-line at: http://www.cityofsacramento.org/finance/budget/

(c) An update of the information contained in Tables entitled "STATEMENT OF GENERAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE," "GROSS ASSESSED VALUES FOR ALL TAXABLE PROPERTY," "CITY OF SACRAMENTO LARGEST LOCAL SECURED TAXPAYERS" and "GENERAL FUND OBLIGATION DEBT SERVICE" in the Official Statement substantially in the form of the table by that name included in Appendix A to the Official Statement, for the most recently completed fiscal year.

See Exhibit A – Statement of General Fund Revenues, Expenditures, and Changes in Fund Balance
See Exhibit B – Gross Assessed Values for all Taxable Property
See Exhibit C – Largest Local Secured Taxpayers
See Exhibit D – General Fund Obligation Debt Service

Redevelopment Agency of the City of Sacramento: Dissolution and Successor Agency

Please note that as a result of legislation in the State of California (namely Assembly Bills 1X 26, 1X 27, and AB 1484), the City of Sacramento (City) has elected to serve as the Successor Agency to the Redevelopment Agency of the City of Sacramento (Successor Agency); and that under AB 1X 26, payment of debt service for bonds of a dissolved redevelopment agency is an "enforceable obligation" of the successor agency for redevelopment functions.

Additionally, amounts formerly identified as Tax Revenues and Housing Tax Revenues are now distributed through a Redevelopment Property Tax Trust Fund (RPTTF) in an amount equal to obligations listed on a Recognized Obligation Payment Schedule (ROPS), as approved by the Department of Finance (DOF) for every six-month period.

STATEMENT OF GENERAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

(in thousands)

	Actual 2008-09	Actual 2009-10	Actual 2010-11	Actual 2011-12	Actual 2012-13
Revenues:					
Property Taxes	$ 151,551	$ 140,013	$ 133,099	$ 130,287	$ 129,370
Sales and Use Taxes	48,905	45,670	47,680	50,683	52,301
Utilities Use Tax	57,775	58,700	58,887	58,787	59,066
Other Taxes	17,495	15,937	14,461	16,386	17,633
Licenses and Permits	15,263	12,709	13,582	12,124	12,688
Fines, Forfeitures and Penalties	10,999	11,131	10,134	11,020	9,165
Interest, Rents and Concessions	861	(88)	1,927	1,702	1,788
Intergovernmental Revenues	16,833	15,294	15,516	12,021	11,108
Charges, Fees and Services	44,153	41,737	41,486	38,157	47,392
Other Revenues	180	142	411	2,090	3,440
Total Revenues	364,015	341,245	337,183	333,257	343,951
Expenditures:					
General Government	29,014	24,009	22,453	21,250	19,073
Public Safety	229,653	230,225	218,984	210,124	216,760
Public Works	22,846	19,425	15,204	16,082	16,353
Neighborhood Services	72,116	56,493	51,499	46,334	48,350
Citywide and Community Support	25,336	26,330	32,247	31,957	32,945
Capital Improvements	9,005	4,918	6,068	2,151	5,755
Debt Service	9,746	1,189	1,970	1,839	2,187
Total Expenditures	397,716	362,589	348,425	329,737	341,423
Excess of Revenues over Expenditures	(33,701)	(21,344)	(11,242)	3,520	2,528
Other Financing Sources (Uses):					
Transfers from Other Funds	33,540	23,948	31,937	28,679	28,541
Transfers to Other Funds	(28,776)	(24,136)	(22,878)	(24,055)	(23,530)
Proceeds from Long-Term Debt	-	4,551	-	-	2,818
Proceeds from Sale of Property	2,992	-	-	-	-
Special Items	(929)	-	-	-	8,534
Total Other Financing Sources (Uses)	6,827	4,363	9,059	4,624	16,363
Net Change In Fund Balance	(26,874)	(16,981)	(2,183)	8,144	18,891
Fund Balance, beginning of year	98,962	72,088	55,107	52,924	61,068
Fund Balance, end of year	72,088	55,107	52,924	61,068	79,959
Less Reserves and Commitments:					
Reserved / Nonspendable	6,474	7,119	308	94	72
Restricted	-	-	86	64	40
Designated / Committed:					
Economic Uncertainty	10,540	10,540	14,340	20,263	27,765
Capital Projects	25,925	24,157	19,612	21,542	21,789
Balanced Budget	11,339	3,800	-	-	-
Communtiy Center Theater renovation					8,500
OPEB trust fund					2,000
Other Programs	16,935	9,491	12,468	9,349	9,347
Assigned:					
Next Year's Budget	-	-	5,138	9,354	10,446
Unrealized Investment Gains	-	-	972	402	-
Fund Balance Available for Appropriation	$ 875	$ -	$ -	$ -	$ -

Certain amounts in the prior year columns have been reclassified for presentation consistent with GASB Statement No. 54.

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) Real Property	Personal Property	Public Utility	Total	Exemptions	Net Assessed Taxable Value	Total Direct Tax Rate (2)
2004	$ 23,859,347	$ 1,168,917	$ 60,909	25,089,173	$ 489,478	$ 24,599,695	1.00
2005 (3)	27,010,976	1,343,104	57,800	28,411,880	500,620	27,911,260	1.00
2006	31,112,448	1,374,566	56,950	32,543,964	506,813	32,037,151	1.00
2007	35,687,712	1,441,042	54,611	37,183,365	509,257	36,674,108	1.00
2008	39,286,839	1,548,914	15,371 (4)	40,851,124	505,519	40,345,605	1.00
2009	40,360,550	1,691,096	11,948	42,063,594	503,159	41,560,435	1.00
2010	37,446,222	1,819,726	11,937	39,277,885	499,878	38,778,007	1.00
2011	36,388,660	1,742,824	11,977	38,143,461	496,459	37,647,002	1.00
2012	35,267,406	1,711,462	12,132	36,991,000	488,888	36,502,112	1.00
2013	34,332,037	1,626,943	13,157	35,972,137	477,326	35,494,811	1.00

Notes: (1) Article XIII A, added to California Constitution by Proposition 13 in 1978, fixed the base for valuation of property subject to taxes at the full cash value appeared on the Assessor's 1975-76 assessment roll. Therefore, full cash value can be increased to reflect:

a) annual inflation up to 2%
b) current market value at time of ownership change;
c) market value for new construction.

Estimated actual value of taxable property cannot easily determined as the property in the City is not reassessed annually. Reassessment normally occurs when ownership changes

(2) This 1.00% is shared by all taxing agencies for which the subject property resides within.

(3) The Sacramento Housing Redevelopment Agency, reported as a blended component unit until fiscal year 2005, has been eliminated from the City's subsequent financial statements.

(4) 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.

Source: County of Sacramento, Office of Auditor/Controller

City of Sacramento
Principal Property Taxpayers
Current Fiscal Year and Nine Years Ago

(in thousands)

	2013			2004		
Taxpayer	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Hines VAF II Sacramento	$ 394,930	1	1.11 %	$ -		- %
CIM Sacramento LLC	231,013	2	0.65	-		-
Verizon	152,482	3	0.43	-		-
Arden Fair Associates	134,668	4	0.38	116,851	3	0.49
621 Capitol Mall LLC	117,394	5	0.33	-		-
300 Capitol Association NF LP	109,000	6	0.31	-		-
Comcast Sacramento	105,943	7	0.30	-		-
CLPF Promenade LP	83,028	8	0.23	-		-
Target Corp	80,789	9	0.23	-		-
HP Hood LLC	78,083	10	0.22	-		-
Downtown Plaza LLC	-		-	129,243	2	0.54
1415 Meridian Plaza LLC	-		-	-		-
Sacramento Equities REIT	-		-	-		-
400 Capital Mall Venture	-		-	138,085	1	0.57
SRI Six USBP LLC	-		-	88,883	4	0.37
Sacramento Hotel Corporation	-		-	87,994	5	0.37
Sutter Community Hospitals	-		-	79,810	6	0.33
McClatchy Newspaper Inc.	-		-	78,852	7	0.33
Prentiss Properties Natomas LP	-		-	75,269	8	0.31
VV USA City LP	-		-	74,020	9	0.31
Spieker Properties LP	-		-	68,237	10	0.28
	1,487,330		4.19	937,244		4.00
All other taxpayers	34,007,481		95.81	23,135,569		96.00
Total	$ 35,494,811		100.00 %	$ 24,072,813		100.00 %

Source: County of Sacramento, Office of Auditor/Controller

GENERAL FUND OBLIGATION DEBT SERVICE, AS OF JUNE 30,2013

Fiscal Year	1993 Lease Revenue Bonds, Series A&B[1]	1997 Lease Revenue Bonds (2007 Remarketing)[2]	1999 CFD 2A Lease Portion	1999 Capital Improvement Revenue Bonds*[3]	2002 Capital Improvement Revenue Bonds*[4]	2002 Certificates of Participation[5]	2003 Capital Improvement Revenue Bonds[6]	2005 Refunding Revenue Bonds*[7]	2006 Capital Improvement Revenue Bonds, Series A&B[8]	2006 Capital Improvement Revenue Bonds, Series C,D&E[9]	Total Equipment Leases and Loans Amount[10]	Total Debt Service Obligations Amount	Percentage of Budgeted Fiscal Year General Fund Revenues[11]	Total Offset Debt Service Amount	Total General Fund Debt Service Amount	Percentage of Budgeted Fiscal Year General Fund Revenues
FY14	15,479,208	5,485,417	246,406	-	5,525,656	1,117,712	2,281,039	15,346,775	10,816,758	11,093,892	6,327,069	73,719,933	19.8%	46,419,166	27,300,767	7.3%
FY15	15,468,171	5,599,302	243,438	-	1,217,019	1,115,678	3,356,096	19,623,150	10,812,511	11,091,126	5,503,460	74,029,950	19.9%	46,697,122	27,332,827	7.3%
FY16	15,437,935	5,767,979	245,000	-	302,400	1,117,448	3,510,934	20,530,025	10,805,696	11,091,683	5,165,602	73,974,702	19.9%	46,799,277	27,175,425	7.3%
FY17	15,430,735	5,758,070	245,938	-	291,275	1,117,938	3,559,381	20,509,400	10,799,388	11,091,855	4,858,199	73,662,179	19.8%	46,854,352	26,807,828	7.2%
FY18	15,408,975	5,953,976	251,094	-	792,825	1,117,108	3,612,686	19,994,775	9,225,313	11,090,825	2,800,551	70,248,127	18.9%	45,595,901	24,652,226	6.6%
FY19	15,391,035	6,086,638	255,313	-	-	1,114,918	3,762,761	16,591,000	9,229,575	11,540,000	1,939,519	65,910,759	17.7%	41,780,917	24,129,842	6.5%
FY20	15,369,890	6,209,110	253,750	-	-	1,116,215	2,591,754	16,533,475	9,212,048	11,573,525	1,696,441	64,556,207	17.4%	41,170,491	23,385,715	6.3%
FY21	15,348,515	6,400,018	256,406	-	-	1,044,958	2,168,896	16,470,100	9,210,746	11,042,000	1,036,665	62,978,304	16.9%	40,818,478	22,159,826	6.0%
FY22	-	6,446,610	262,969	-	-	1,047,831	279,601	16,337,475	9,198,629	12,755,675	1,036,665	47,365,456	12.7%	29,382,334	17,983,121	4.8%
FY23	-	6,648,342	263,438	-	-	1,043,975	277,395	5,685,600	9,191,481	22,593,150	967,336	46,670,716	12.5%	28,228,832	18,441,884	5.0%
FY24	-	6,796,051	262,969	-	-	1,043,000	279,754	5,537,225	9,182,750	22,126,169	898,006	46,125,923	12.4%	28,146,176	17,979,747	4.8%
FY25	-	6,956,041	-	-	-	1,044,625	271,772	5,538,688	9,181,265	22,027,794	898,006	45,918,190	12.3%	28,255,655	17,662,535	4.7%
FY26	-	7,124,005	-	-	-	1,044,500	273,375	5,527,644	9,171,351	22,043,856	898,006	46,082,737	12.4%	28,402,423	17,680,314	4.8%
FY27	-	7,305,017	-	-	-	1,042,625	274,375	5,533,631	9,162,435	22,035,025	898,006	46,251,114	12.4%	28,563,854	17,687,260	4.8%
FY28	-	7,461,356	-	-	-	1,039,000	274,875	5,537,250	9,163,419	22,039,475	898,006	46,413,381	12.5%	28,715,501	17,697,880	4.8%
FY29	-	-	-	-	-	1,038,500	284,625	5,517,000	9,158,354	22,132,225	898,006	39,028,710	10.5%	21,263,911	17,764,799	4.8%
FY30	-	-	-	-	-	1,036,000	288,500	5,514,500	9,146,692	22,135,788	898,006	39,019,486	10.5%	21,231,277	17,788,208	4.8%
FY31	-	-	-	-	-	1,036,375	291,625	-	9,132,759	22,135,044	898,006	33,493,808	9.0%	16,845,786	16,648,023	4.5%
FY32	-	-	-	-	-	1,034,500	289,125	-	9,130,306	22,137,375	898,006	33,489,312	9.0%	16,831,962	16,657,350	4.5%
FY33	-	-	-	-	-	1,035,250	291,000	-	9,113,362	22,144,775	898,006	33,482,393	9.0%	16,805,361	16,677,031	4.5%
FY34	-	-	-	-	-	-	292,125	-	9,106,001	5,639,300	898,006	15,935,432	4.3%	4,621,810	11,313,622	3.0%
FY35	-	-	-	-	-	-	-	-	9,096,828	2,005,000	898,006	11,999,834	3.2%	3,099,345	8,900,489	2.4%
FY36	-	-	-	-	-	-	-	-	9,074,993	2,004,250	897,980	11,977,223	3.2%	3,092,327	8,884,897	2.4%
FY37	-	-	-	-	-	-	-	-	9,069,174	2,003,875	790,925	11,863,974	3.2%	2,986,846	8,877,128	2.4%
FY38											790,839	790,839	0.2%	790,839	-	0.0%
FY39											634,389	634,389	0.2%	634,389	-	0.0%
FY40											634,389	634,389	0.2%	634,389	-	0.0%
FY41											634,389	634,389	0.2%	634,389	-	0.0%
FY42											634,368	634,368	0.2%	634,368	-	0.0%
Total	123,334,464	95,997,933	2,786,719	-	8,129,175	21,348,153	28,511,694	206,327,713	226,391,831	357,573,681	47,124,859	1,117,526,221		665,937,477	451,588,745	
Offset	73.7%	100.0%	0.0%	0.0%	24.7%	100.0%	14.7%	78.5%	23.6%	46.7%	91.8%	62.3%				

* Does not include amounts payable solely from tax increment revenues.

(1) 1993 Lease A: 80.5% Community Center Fund, 11.5% General Fund, 8% Golf Fund
1993 Lease B: 47.8% General Fund, 30.2 % Parking Fund, 13.0% Drainage Fund, 9.0% Community Center Fund

(2) 1997 Lease (Arco Sublease): Assumes the fixed rate established in the 2007 remarketing is in effect for the remaining term of the bonds.

(3) 1999 Capital Improvement Revenue Bonds: amounts remaining supported solely from tax increment revenues.

(4) 2002 Capital Improvement Revenue Bonds: 55.7% General Fund, 24.7% RASA Master Lease, 19.6% North Natomas Fund

(5) 2002 COP: payable from H Street Theatre Revenues (obligation of the General Fund if insufficient)

(6) 2003 Capital Improvement Revenue Bonds: 85.3% General Fund, 14.7% North Natomas Fund

(7) 2005 Refunding: 40.1% Water Fund, 19.6% Solid Waste Fund, 17.3% Parking Fund, 12.6% RASA (Del Paso Heights, Merged Downtown, North Sacramento, Oak Park, River District), 8.7% General Fund, 1.4% North Natomas Fund, 0.3% Golf Fund.

(8) 2006 Capital Improvement Revenue Bonds Series A and B: 76.9% General Fund, 17.9% RASA Master Lease (65th Street, Army Depot, North Sacramento, River District), 5.2 % Haggin Oaks Bridge Loan

(9) 2006 Capital Improvement Revenue Bonds, Series C, D, and E: 50.4% General Fund, 42.0% Water Fund, 6.4% North Natomas Fund, 0.7% Golf Fund, 0.5% RASA Master Lease (Stockton Boulevard)

(10) Total Leases and Loans: 58.1% Marina, 21.6% General Fund (supported by On-street parking), 17.5% Solid Waste, 1.5% Wastewater, 1.3% RASA (Merged Downtown)

(11) Data Based on Fiscal Year 2013-14 Revenue Forecast $ 371,971,423