

City of Sacramento
Annual Continuing Disclosure Report
Fiscal Year 2013/14

Issue Sacramento City Financing Authority
1999 Capital Improvement Revenue Bonds
(Solid Waste and Redevelopment Projects)

Par \$ 71,180,000

Issued December 15, 1999

CUSIP Numbers 785849EG1
785849EH9
785849EJ5
785849EK2
785849NG1
785849NH9
785849MX5
785849MY3

Refunding Note *The Master Lease component, Facility Lease component, and a portion of the Loan component for this issue have been subsequently refunded. The remaining debt for this issue is solely supported payment from the Oak Park Loan.*

Content of Annual Report.

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

A. The Comprehensive Audited Financial Report of the City for the most recently completed fiscal year.

The City's Comprehensive Annual Financial Report (CAFR) for the prior fiscal year is uploaded as a separate document to EMMA; it is projected that the CAFR will be presented to the City Council in early February. At that time, the CAFR will also be available on the city's website at:

<http://portal.cityofsacramento.org/Finance/Accounting/Reporting>

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 in EMMA and is also available on-line at: <http://portal.cityofsacramento.org/Finance/Budget>

C. The Gross Assessed Values for all taxable property of the City in the form of the table included in Appendix C to the Official Statement, for the most recently completed fiscal year.

This information is located in the Statistical Section of the City's CAFR.

See Exhibit A – [City] Assessed Values (last ten fiscal years).

- D. The General Fund Obligation Debt Service of the City in the form of the table included in Appendix C to the Official Statement, for the most recently completed fiscal year.**

See Exhibit B – [City] General Fund Obligation Debt Service, as of June 30, 2014.

- E. The Historical Service accounts for the City’s Solid Waste System in the form of the table included in Appendix D to the Official Statement, for the most recently completed fiscal year.**

See Exhibit C – [City] Solid Waste Information, Table 1.

- F. The Operating Results for the City’s Solid Waste System in the form of the table included in Appendix D to the Official Statement, for the most recently completed fiscal year.**

See Exhibit C – [City] Solid Waste Information, Table 2.

- G. The current rate for single-family container service per month as of the end of the most recently completed fiscal year.**

See Exhibit C – [City] Solid Waste Information, Table 3.

EXHIBIT A

City of Sacramento

Assessed Value and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

(in thousands)

Fiscal Year End June 30	Gross Assessed Value ⁽¹⁾				Exemptions	Net Assessed Taxable Value	Total Direct Tax Rate ⁽²⁾
	Real Property	Personal Property	Public Utility	Total			
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
2014	35,829,529	1,546,891	12,381	37,388,801	464,546	36,924,255	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.

EXHIBIT B

GENERAL FUND OBLIGATION DEBT SERVICE, AS OF JUNE 30, 2014

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
FY15	15,468,171	5,599,302	243,438	-	1,217,020	1,049,678	2,637,126	19,623,150	10,812,511	11,091,126	5,646,230	73,387,751	19.1%	44,311,222	29,076,529	7.6%
FY16	15,437,935	5,767,979	245,000	-	302,400	1,051,448	2,755,469	20,530,025	10,805,696	11,091,683	5,308,373	73,296,008	19.0%	44,379,801	28,916,207	7.5%
FY17	15,430,735	5,758,070	245,938	-	291,275	1,051,938	2,794,966	20,509,400	10,799,388	11,091,855	5,000,970	72,974,535	19.0%	44,424,322	28,550,213	7.4%
FY18	15,408,975	5,953,976	251,094	-	792,825	1,051,108	2,836,544	19,994,775	9,225,313	11,090,825	2,943,321	69,548,755	18.1%	43,153,206	26,395,549	6.9%
FY19	15,391,035	6,086,638	255,313	-	-	1,048,918	2,952,846	16,591,000	9,229,575	11,540,000	1,461,169	64,556,494	16.8%	39,323,840	25,232,654	6.6%
FY20	15,369,890	6,209,110	253,750	-	-	1,050,215	2,044,926	16,533,475	9,212,048	11,573,525	721,991	62,968,929	16.4%	39,104,426	23,864,504	6.2%
FY21	15,348,515	6,400,018	256,406	-	-	1,044,958	1,718,776	16,470,100	9,210,746	11,042,000	138,659	61,630,178	16.0%	38,970,256	22,659,922	5.9%
FY22	-	6,446,610	262,969	-	-	1,047,831	279,601	16,337,475	9,198,629	12,755,675	138,659	46,467,449	12.1%	27,986,998	18,480,451	4.8%
FY23	-	6,648,342	263,438	-	-	1,043,975	277,395	5,685,600	9,191,481	22,593,150	69,330	45,772,710	11.9%	26,987,677	18,785,034	4.9%
FY24	-	6,796,051	262,969	-	-	1,043,000	279,754	5,537,225	9,182,750	22,126,169	-	45,227,917	11.8%	26,890,646	18,337,271	4.8%
FY25	-	6,956,041	-	-	-	1,044,625	271,772	5,538,688	9,181,265	22,027,794	-	45,020,184	11.7%	27,011,137	18,009,047	4.7%
FY26	-	7,124,005	-	-	-	1,044,500	273,375	5,527,644	9,171,351	22,043,856	-	45,184,731	11.7%	27,165,519	18,019,212	4.7%
FY27	-	7,305,017	-	-	-	1,042,625	274,375	5,533,631	9,162,435	22,035,025	-	45,353,108	11.8%	27,335,675	18,017,433	4.7%
FY28	-	7,461,356	-	-	-	1,039,000	274,875	5,537,250	9,163,419	22,039,475	-	45,515,375	11.8%	27,496,944	18,018,431	4.7%
FY29	-	-	-	-	-	1,038,500	284,625	5,517,000	9,158,354	22,132,225	-	38,130,704	9.9%	20,051,450	18,079,254	4.7%
FY30	-	-	-	-	-	1,036,000	288,500	5,514,500	9,146,692	22,135,788	-	38,121,480	9.9%	20,032,240	18,089,240	4.7%
FY31	-	-	-	-	-	1,036,375	291,625	-	9,132,759	22,135,044	-	32,595,802	8.5%	15,656,218	16,939,584	4.4%
FY32	-	-	-	-	-	1,034,500	289,125	-	9,130,306	22,137,375	-	32,591,306	8.5%	15,653,272	16,938,034	4.4%
FY33	-	-	-	-	-	1,035,250	291,000	-	9,113,362	22,144,775	-	32,584,387	8.5%	15,639,814	16,944,573	4.4%
FY34	-	-	-	-	-	-	292,125	-	9,106,001	5,639,300	-	15,037,426	3.9%	3,231,114	11,806,312	3.1%
FY35	-	-	-	-	-	-	-	-	9,096,828	2,005,000	-	11,101,828	2.9%	1,708,316	9,393,512	2.4%
FY36	-	-	-	-	-	-	-	-	9,074,993	2,004,250	-	11,079,243	2.9%	1,702,487	9,376,756	2.4%
FY37	-	-	-	-	-	-	-	-	9,069,174	2,003,875	-	11,073,049	2.9%	1,706,719	9,366,330	2.4%
FY38	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%
FY39	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%
FY40	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%
FY41	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%
FY42	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	-	-	0.0%
Total	107,855,256	90,512,516	2,540,313	-	2,603,520	19,834,441	21,408,801	190,980,938	215,575,073	346,479,789	21,428,702	1,019,219,347		579,923,299	439,296,048	
Offset	73.7%	100.0%	0.0%	0.0%	14.9%	100.0%	18.3%	77.4%	18.6%	54.9%	37.9%	62.3%				

* Does not include amounts payable solely from revenue pledges of funds other than the General Fund (i.e. tax allocation revenues or enterprise fund revenues).

⁽¹⁾ 1993 Lease A: 80.5% Community Center Fund, 11.5% General Fund, and 8.0% Golf Fund

1993 Lease B: 47.8% General Fund, 30.2% Parking Fund, 13.0% Storm Drainage Fund, and 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: 85.1% General Fund and 14.9% RASA Master Lease (Stockton Blvd)

⁽⁵⁾ 2002 COP: payable from H Street Theatre Revenues (The City of Sacramento and the County of Sacramento are each responsible for 50% of any shortfall in debt service payments made by the CA Musical Theater.)

⁽⁶⁾ 2003 Capital Improvement Revenue Bonds: 81.7% General Fund and 18.3% North Natomas Fund

⁽⁷⁾ 2005 Refunding: 31.7% Water Fund, 22.6% General Fund, 16.4% Solid Waste Fund, 14.0% Parking Fund, 12.9% RASA Master Lease (Del Paso Heights, Merged Downtown, North Sacramento, Oak Park, River District), 1.9% North Natomas Fund, and 0.5% Golf Fund.

⁽⁸⁾ 2006 Capital Improvement Revenue Bonds Series A and B: 81.4% General Fund and 18.6% RASA Master Lease (65th Street, Army Depot, North Sacramento, River District)

⁽⁹⁾ 2006 Capital Improvement Revenue Bonds, Series C, D, and E: 46.2% Water Fund, 45.1% General Fund, 6.9% North Natomas Fund, 1.0% RASA Master Lease (Stockton Boulevard), and 0.8% Golf Fund.

⁽¹⁰⁾ Total Leases and Loans: 62.1% General Fund, 27.5% Solid Waste, 5.5% Marina, 2.5% Wastewater, and 2.4% RASA Master Lease (Merged Downtown)

⁽¹¹⁾ Data Based on Fiscal Year 2015 General Fund Revenue Forecast \$384,829,000

EXHIBIT C

Table 1 Historical Service Account (in thousands, as of June 30)

Fiscal Year	2010	2011	2012	2013 ¹	2014 ²
Residential Garbage Accounts	124,816	125,028	125,287	125,647	124,249
Commercial Garbage Accounts	1,111	1,164	530	0	0

Source: City of Sacramento - Recycling and Solid Waste Division

Table 2 Historical Operating Results (in \$ thousands, as of June 30)

Fiscal Year	2010	2011	2012	2013	2014
Annual Revenue					
Interest	0	88	(43)	136	(74)
User Fees	58,696	62,762	64,095	59,945	58,541
Other ³	1,015	532	788	435	1,063
Transfers In	55	163	115	210	67
Total Annual Revenue	59,766	63,545	64,955	60,726	59,597
Expenses					
Employee Services	15,882	16,357	16,285	15,708	15,040
Services and Supplies	27,739	28,494	33,455	30,673	29,435
Depreciation & Amortization	1,787	1,810	1,838	1,839	1,822
Transfers Out	6,349	6,763	6,821	6,605	6,465
Subtotal (Prior to Debt Service)	51,757	53,424	58,399	54,825	52,762
Debt Service ^{4,5}	3,411	3,380	3,214	4,356	4,312
Total Operating Expenses	55,168	56,804	61,613	59,181	57,074
Net Operating Income	4,598	6,741	3,342	1,545	2,523

Source: City of Sacramento - Comprehensive Annual Financial Report

Table 3 Single Family Residential Rates in effect June 30, 2014⁶

Jurisdiction	City of Sacramento ⁷	Sacramento County	Elk Grove	Davis	El Dorado Hills	Folsom	Citrus Heights	West Sacramento
Service Type								
Collection	X	X	X	X	X	X	X	X
Disposal	X	X	X	X	X	X	X	X
Code Enforcement	X		X	X		X		
Neighborhood Clean-up	X	X	X		X	X	X	X
Household Hazardous Waste	X	X	X	X	X	X	X	X
Curbside Recycling	X ⁸	X ⁸	X ⁸	X	X	X ⁸	X ⁸	X
Green Waste	X	X ⁸	X ⁸	X	X ⁸	X ⁸	X ⁸	X
Total/Month	\$ 38.31	\$ 30.76	\$ 31.71	\$ 37.06	\$ 35.69	\$ 25.50	\$ 24.52	\$ 24.13

Source: City of Sacramento - Recycling and Solid Waste Division

¹ The City of Sacramento stopped servicing commercial accounts in October 2012.

² Decrease in the number of accounts between Fiscal Year 2013 and 2014 is the result of clean-up of the City's utility billing system.

³ Represents revenues received from the sale of recyclables, sale of compost, and state grants.

⁴ Debt Service with respect to the lease / purchase of trucks and containers for the City's curbside recycling program.

⁵ Debt Service in Fiscal Year 2013 excludes the refinancing of existing debt in the amount of \$2,975,491.

⁶ Rate is for a 90-96 gallon container. Not all jurisdictions provide the same service or the same level of service.

⁷ Uses containerized lawn and garden rate. Neighborhood Clean-up by appointment only.

⁸ Services provided bi-weekly. All other services provided weekly except Neighborhood Clean-up.