

City of Sacramento
Annual Continuing Disclosure Report
Fiscal Year 2011/12

Issue: Sacramento City Financing Authority
1997 Lease Revenue Bonds
(ARCO Arena)

Par: \$73,725,000

Issued: July 24, 1997

Remarketed: July 18, 2007

CUSIP Number: 785846BR6

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

- A: A table showing the gross assessed values, tax allocations and tax collections for all taxable property of the City, substantially in the form of Table 11 included in Appendix A to the Official Statement, dated July 17, 1997, relating to the 1997 Bonds (the "Official Statement");**

The above information is provided in the Statistical Section (beginning on page 168) of the City's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2012, see Exhibit A and B excerpts.

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

<http://www.cityofsacramento.org/finance/accounting/reporting.cfm>

- B: A table showing the General Fund Obligation Debt Service of the City substantially in the form of Table 14 included in Appendix A to the Official Statement;**

See Exhibit C – General Fund Obligation Debt Service, as of June 30, 2012.

- C: The Annual Budget of the City, and**

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/>.

- D: 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; it is projected to be presented to the City Council in late January. At that time the CAFR will also be available on the city's website at:

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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			
2003	\$ 21,855,519	\$ 1,157,123	\$ 66,428	\$ 23,079,070	\$ 478,334	\$ 22,600,736	1.0000
2004	23,859,347	1,168,917	60,909	25,089,173	489,478	24,599,695	1.0000
2005 ⁽³⁾	27,010,976	1,343,104	57,800	28,411,880	500,620	27,911,260	1.0000
2006	31,112,448	1,374,566	56,950	32,543,964	506,813	32,037,151	1.0000
2007	35,687,712	1,441,042	54,611	37,183,365	509,257	36,674,108	1.0000
2008	39,286,839	1,548,914	15,371 ⁽⁴⁾	40,851,124	505,519	40,345,605	1.0000
2009	40,360,550	1,691,096	11,948	42,063,594	503,159	41,560,435	1.0000
2010	37,446,222	1,819,726	11,937	39,277,885	499,878	38,778,007	1.0000
2011	36,388,660	1,742,824	11,977	38,143,461	496,459	37,647,002	1.0000
2012	35,267,406	1,711,462	12,132	36,991,000	488,888	36,502,112	1.0000

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 that 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) 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

City of Sacramento
Property Tax Levies and Collections ^{(1) (2)}
Last Ten Fiscal Years
(in thousands)

<u>Fiscal Year End June 30</u>	<u>Current Tax Collections</u>	<u>Delinquent Taxes Collected</u>	<u>Total Tax Collections</u>
2003	\$ 57,067	\$ 705	\$ 57,772
2004	63,748	629	64,377
2005	70,343	62	70,405
2006	112,052	92	112,144
2007	142,771 ⁽³⁾	2,605	145,376
2008	146,828	4,073	150,901
2009	147,780	4,839	152,619
2010	136,313	3,700	140,013
2011	130,711	2,388	133,099
2012	127,914	1,729	129,643

Notes: (1) Includes City tax collections only; does not include SHRA, a component unit until fiscal year 2005.

(2) The City cannot provide property tax levy information because property tax levies by jurisdiction are not provided by the County of Sacramento.

(3) Property taxes in 2007 and subsequent years include revenue reported in 2006 as in lieu sales tax.

EXHIBIT C

GENERAL FUND OBLIGATION DEBT SERVICE

Fiscal Year	1993 ⁽¹⁾	1997 ⁽²⁾	1999 ⁽³⁾	1999 ⁽⁴⁾	2002 ⁽⁵⁾	2002 ⁽⁶⁾	2002 ⁽⁷⁾	2003 ⁽⁸⁾	2005 ⁽⁹⁾	2006 ⁽¹⁰⁾	2006 ⁽¹¹⁾	Capital, Small Equip., Lses, Adv, & Nts	Total Debt Service Obligations	% of FY 12-13 ⁽¹³⁾ General Fund Revenues \$ 369,260,000	Total Supported By Other Sources	Adjusted	Adjusted ⁽¹³⁾
	Lease Rev. Bonds	Lease Rev. Bonds	CFD 2 Lease	Cap. Impr. Rev.	Cap. Impr. Rev.	COP H St. Theatre	Refunding Rev. Bonds	Cap. Impr. Rev.	Refunding Rev. Bonds	Cap. Impr. Rev. Ser A, B	Cap. Impr. Rev. Ser C, D, E					Total Supported By General Fund	% of FY 12-13 General Fund Revenue \$369,260,000
2013	15,492,536	5,329,189	243,906	262,338	7,937,659	1,052,531	5,642,625	2,285,811	16,173,100	10,833,778	11,091,688	4,517,258	\$80,862,420	21.90%	\$ 51,693,955	29,168,465	7.90%
2014	15,479,208	5,435,933	246,406	264,499	7,922,610	1,051,712		2,281,039	16,248,725	10,816,758	11,093,892	4,517,255	\$75,358,037	20.41%	\$ 48,586,792	26,771,245	7.25%
2015	15,468,171	5,549,818	243,438	261,110	3,272,488	1,049,678		3,356,096	20,526,225	10,812,511	11,091,126	3,907,321	\$75,537,980	20.46%	\$ 48,838,114	26,699,866	7.23%
2016	15,437,935	5,549,818	245,000	261,860	2,359,531	1,051,448		3,510,934	21,427,600	10,805,696	11,091,683	3,433,017	\$75,174,522	20.36%	\$ 48,670,345	26,504,176	7.18%
2017	15,430,735	5,717,668	245,938	261,710	2,346,150	1,051,938		3,559,381	21,404,850	10,799,388	11,091,855	3,433,017	\$75,342,630	20.40%	\$ 48,821,790	26,520,839	7.18%
2018	15,408,975	5,708,586	251,094	260,980	2,845,325	1,051,108		3,612,686	20,886,350	9,225,313	11,090,825	1,433,580	\$71,774,822	19.44%	\$ 47,230,096	24,544,726	6.65%
2019	15,391,035	5,904,492	255,313	259,670	-	1,048,918		3,762,761	17,481,100	9,229,575	11,540,000	1,019,306	\$65,892,170	17.84%	\$ 42,794,447	23,097,723	6.26%
2020	15,369,890	6,037,154	253,750	262,635	-	1,050,215		2,591,754	17,425,225	9,212,048	11,573,525	721,991	\$64,498,186	17.47%	\$ 42,297,077	22,201,110	6.01%
2021	15,348,515	6,159,763	256,406	259,931	-	1,044,958		2,168,896	16,470,100	9,210,746	11,042,000	138,659	\$62,099,975	16.82%	\$ 40,860,184	21,239,791	5.75%
2022		6,349,569	262,969	261,563	-	1,047,831		279,601	16,337,475	9,198,629	12,755,675	138,659	\$46,631,971	12.63%	\$ 29,899,875	16,732,096	4.53%
2023		6,397,126	263,438	262,331		1,043,975		6,397,126	5,685,600	9,191,481	22,593,150	69,330	\$45,783,825	12.40%	\$ 26,921,755	18,862,070	5.11%
2024		6,598,858	262,969			1,043,000		279,754	5,537,225	9,182,750	22,126,169	-	\$45,030,724	12.19%	\$ 26,444,135	18,586,589	5.03%
2025		6,746,704				1,044,625		271,772	5,538,688	9,181,265	22,027,794		\$44,810,847	12.14%	\$ 26,537,311	18,273,536	4.95%
2026		6,906,557				1,044,500		273,375	5,527,644	9,171,351	22,043,856		\$44,967,282	12.18%	\$ 26,695,457	18,271,826	4.95%
2027		7,254,568				1,042,625		274,375	5,533,631	9,162,435	22,035,025		\$45,302,658	12.27%	\$ 27,039,737	18,262,922	4.95%
2028		7,728,334				1,039,000		274,875	5,537,250	9,163,419	22,039,475		\$45,782,352	12.40%	\$ 27,515,594	18,266,758	4.95%
2029						1,038,500		284,625	5,517,000	9,158,354	22,132,225		\$38,130,704	10.33%	\$ 19,824,238	18,306,466	4.96%
2030						1,036,000		288,500	5,514,500	9,146,692	22,135,788		\$38,121,480	10.32%	\$ 19,820,407	18,301,073	4.96%
2031						1,036,375		291,625		9,132,759	22,135,044		\$32,595,803	8.83%	\$ 15,466,212	17,129,590	4.64%
2032						1,034,500		289,125		9,130,306	22,137,375		\$32,591,306	8.83%	\$ 15,464,165	17,127,141	4.64%
2033						1,035,250		291,000		9,113,362	22,144,775		\$32,584,387	8.82%	\$ 15,465,738	17,118,648	4.64%
2034								292,125		9,106,001	5,639,300		\$15,037,426	4.07%	\$ 5,324,541	9,712,885	2.63%
2035										9,096,828	2,005,000		\$11,101,828	3.01%	\$ 3,213,720	7,888,108	2.14%
2036										9,074,993	2,004,250		\$11,079,243	3.00%	\$ 3,208,247	7,870,996	2.13%
2037										9,069,174	2,003,875		\$11,073,049	3.00%	\$ 3,206,692	7,866,357	2.13%
Offsetting Sources =>	74%	100.0%	0.0%	100.0%	69.9%	100.0%	57.6%	35.6%	78.9%	23.2%	55.2%	57.9%					

- (1) 1993A Lease Revenue Bonds support: 80.5% Community Center Fund, 8.0% Golf Fund and 1993B Lease Revenue Bonds support: 30.2% Parking Fund, 13.0% Storm Drainage Fund, 9.0% Community Center Fund.
- (2) 1997 Lease Revenue Bonds support: ARCO Arena Sublease. Assumes the fixed rate established pursuant to the Swap Agreement for the 1997 Bonds is in effect for the remaining term of the bonds.
- (3) 1999 CFD2 Lease
- (4) 1999 Capital Improv Rev. Bonds support: 100% Oak Park Loan (TAB)
- (5) 2002 Capital Improv Rev. Bonds support: 30.6% General Fund, 61.35% SHRA (45% ML Mrgd Dntwn, 2% ML Stcktn, 53% TAB Mrgd Dntwn), 8.06% North Natomas Fund
- (6) Obligation is payable from H Street Theatre Revenues.
- (7) Refunded the 1991 COP(Public Facilities) and 1991 COP (Light Rail): 42.4% General Fund, 57.6% Community Center Fund
- (8) 2003 Capital Improv Rev. Bonds support: 65.41% - General Fund, 35.59% - North Natomas Fund
- (9) 2005 Refunding support: Refunded the 1999 CIRB (24.02%), 2000 CIRB (21.81%), 2001 CIRB (35.19%), 2002 CIRB (18.98%); Supported by SHRA 15.67%, Solid Waste 13.85%, Parking 12.40%, Water 34.92%, North Natomas Fund 1.5%, and Golf 0.58%
- (10) 2006 Capital Improv. Rev. Bonds, Ser A & B support: 78.83% General Fund, 17.99% SHRA (ML N.Sac, Army Depot, 65th 7 Richards Blvd [River]), 5.18% Haggin Oaks Bridge Loan
- (11) 2006 Capital Improv. Rev. Bonds, Ser C, D & E support: 44.54% General Fund, 46.77% Water fund, 6.73% North Natomas Fund, 1.15% SHRA (2002 ML Mrgd Dntwn, ML Stcktn Blvd, 2002 TAB Mrgd Dntwn), .79% Golf Fund
- (12) Capital, Small Leases, Advances and Notes support: 37.38% Solid Waste, 1.23% Marina
- (13) Data based on FY 13 General Fund Revenue Forecast