

City of Sacramento
Annual Continuing Disclosure Report
Fiscal Year 2015/16

Issue	Sacramento City Financing Authority 1997 Lease Revenue Bonds (ARCO Arena)
Par	\$ 73,725,000
Issued	July 24, 1997
Remarketed	July 18, 2007
CUSIP Numbers	785846CT1 (1997 - 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 of the City's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2016.

See Exhibit A - FY16 Assessed Value and Estimated Actual Value of Taxable Property.

See Exhibit B - FY16 Property Tax Levies and Collections.

- 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 C1 - General Fund Obligation Debt Service, as of June 30, 2016.

- C. The Annual Budget of the City:**

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: 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 was uploaded as a separate document to EMMA. The CAFR will also be available on the city's website at:

www.cityofsacramento.org/Finance/Accounting/Reporting

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			
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 ⁽³⁾	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
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	448,779	40,897,784	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 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

Exhibit B

**City of Sacramento
Property Tax Levies and Collections ⁽¹⁾
Last Ten Fiscal Years**

(in thousands)

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	\$ 146,844	\$ 142,771	97.23%	\$ 4,073	\$ 146,844	100.00%
2008	151,667	146,828	96.81%	4,839	151,667	100.00%
2009	151,480	147,780	97.56%	3,700	151,480	100.00%
2010	138,701	136,313	98.28%	2,388	138,701	100.00%
2011	132,440	130,711	98.69%	1,729	132,440	100.00%
2012	129,123	127,914	99.06%	1,209	129,123	100.00%
2013	130,755 ^{(2) (3)}	129,655	99.16%	1,100	130,755	100.00%
2014	140,273 ^{(2) (3)}	139,651	99.56%	622	140,273	100.00%
2015	147,483 ^{(2) (3)}	146,374	99.25%	1,109	147,483	100.00%
2016	155,024 ^{(2) (3)}	153,563	99.06%	1,461	155,024	100.00%

- Notes: (1) Property taxes in 2007 and subsequent years include revenue reported in 2006 as in lieu sales tax.
(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.

Exhibit C

GENERAL FUND OBLIGATION DEBT SERVICE, AS OF JUNE 30, 2016

Fiscal Year	1993 Lease Revenue Bonds, Series A&B ¹	1997 Lease Revenue Bonds (2007 Remarketing) ²	1999 CFD 2A Lease Portion	2016 Refunding H Street Complex ³	2006 Capital Improvement Revenue Bonds, Series B ⁴	2006 Capital Improvement Revenue Bonds, Series D,E ⁵	2015 Golden 1 Center Bonds ⁶	2015 Revenue Refunding Bonds ⁷	Total Equipment Leases & Loans Amount ⁸	Total Debt Service Obligations Amount	Percentage of Budgeted Fiscal Year General Fund Revenues ⁹	Total Offset Debt Service Amount	Total General Fund Debt Service Amount	Percentage of Budgeted Fiscal Year General Fund Revenues
FY17	15,430,735	5,758,070	245,938	1,010,211	3,955,738	9,573,955	14,871,842	24,772,613	6,326,010	81,945,112	19.0%	59,706,259	22,238,852	5.1%
FY18	15,408,975	5,953,976	251,094	669,939	3,954,413	9,086,700	18,296,842	23,714,463	4,343,016	81,679,417	18.9%	52,668,399	29,011,018	6.7%
FY19	15,391,035	6,086,638	255,313	672,443	3,958,138	9,534,625	18,295,874	22,218,713	2,860,865	79,273,643	18.3%	43,799,922	35,473,721	8.2%
FY20	15,369,890	6,209,110	253,750	674,592	3,952,298	9,568,900	18,299,225	21,259,138	2,121,686	77,708,588	18.0%	43,589,093	34,119,495	7.9%
FY21	15,348,515	6,400,018	256,406	671,315	3,942,040	9,035,250	18,378,689	21,082,763	1,121,975	76,236,971	17.6%	43,250,860	32,986,111	7.6%
FY22	-	6,446,610	262,969	672,683	3,941,923	10,749,050	18,378,701	19,645,288	138,659	60,235,882	13.9%	32,367,088	27,868,794	6.4%
FY23	-	6,648,342	263,438	673,696	3,940,606	20,588,900	18,289,067	9,928,813	69,330	60,402,190	14.0%	32,273,893	28,128,298	6.5%
FY24	-	6,796,051	262,969	669,283	3,937,750	20,121,670	18,289,067	9,922,438	-	59,999,227	13.9%	32,549,324	27,449,903	6.4%
FY25	-	6,956,041	-	674,515	3,933,765	20,020,670	18,289,286	9,925,688	-	59,799,964	13.8%	32,913,005	26,886,959	6.2%
FY26	-	7,124,005	-	669,250	3,928,351	20,036,857	18,286,258	9,898,313	-	59,943,034	13.9%	33,309,108	26,633,926	6.2%
FY27	-	7,305,017	-	673,630	3,926,060	20,030,900	18,289,420	9,904,438	-	60,129,463	13.9%	33,741,924	26,387,539	6.1%
FY28	-	7,461,356	-	672,442	3,926,294	20,031,226	18,287,643	9,909,388	-	60,288,348	14.0%	34,167,586	26,120,762	6.0%
FY29	-	-	-	670,899	3,923,604	20,127,976	18,285,364	9,896,838	-	52,904,681	12.2%	26,990,635	25,914,046	6.0%
FY30	-	-	-	673,859	3,917,692	20,128,788	18,286,739	9,897,256	-	52,904,334	12.2%	27,256,823	25,647,511	5.9%
FY31	-	-	-	676,251	3,908,259	20,128,795	18,285,638	5,854,175	-	48,853,117	11.3%	24,516,853	24,336,265	5.6%
FY32	-	-	-	668,146	3,909,556	20,130,500	18,286,217	5,844,050	-	48,838,469	11.3%	24,800,187	24,038,282	5.6%
FY33	-	-	-	334,686	3,900,987	20,136,150	18,282,349	5,394,175	-	48,048,347	11.1%	24,760,001	23,288,346	5.4%
FY34	-	-	-	-	3,892,251	3,632,925	18,283,188	5,384,550	-	31,192,914	7.2%	13,359,709	17,833,204	4.1%
FY35	-	-	-	-	3,892,453	-	18,282,324	5,130,175	-	27,304,951	6.3%	12,165,390	15,139,561	3.5%
FY36	-	-	-	-	3,880,993	-	18,283,630	5,120,800	-	27,285,423	6.3%	12,493,832	14,791,591	3.4%
FY37	-	-	-	-	3,872,424	-	18,280,697	5,120,400	-	27,273,521	6.3%	12,833,792	14,439,729	3.3%
FY38	-	-	-	-	-	-	18,282,397	-	-	18,282,397	4.2%	12,089,056	6,193,341	1.4%
FY39	-	-	-	-	-	-	18,282,040	-	-	18,282,040	4.2%	12,451,728	5,830,312	1.3%
FY40	-	-	-	-	-	-	18,278,216	-	-	18,278,216	4.2%	12,825,279	5,452,937	1.3%
FY41	-	-	-	-	-	-	18,279,516	-	-	18,279,516	4.2%	13,210,038	5,069,478	1.2%
FY42	-	-	-	-	-	-	18,278,967	-	-	18,278,967	4.2%	13,606,339	4,672,628	1.1%
FY43	-	-	-	-	-	-	18,279,878	-	-	18,279,878	4.2%	14,014,529	4,265,349	1.0%
FY44	-	-	-	-	-	-	18,275,276	-	-	18,275,276	4.2%	14,434,965	3,840,311	0.9%
FY45	-	-	-	-	-	-	18,273,469	-	-	18,273,469	4.2%	14,868,014	3,405,455	0.8%
FY46	-	-	-	-	-	-	18,277,204	-	-	18,277,204	4.2%	15,314,054	2,963,150	0.7%
FY47	-	-	-	-	-	-	18,273,943	-	-	18,273,943	4.2%	15,773,476	2,500,467	0.6%
FY48	-	-	-	-	-	-	18,271,713	-	-	18,271,713	4.2%	16,246,680	2,025,033	0.5%
FY49	-	-	-	-	-	-	18,272,978	-	-	18,272,978	4.2%	16,734,081	1,538,897	0.4%
FY50	-	-	-	-	-	-	18,269,919	-	-	18,269,919	4.2%	17,236,103	1,033,816	0.2%
Total	76,949,150	79,145,235	2,051,875	11,427,840	82,395,591	282,663,837	618,403,575	249,824,469	16,981,542	1,419,843,113		842,318,027	577,525,086	
Offset	73.7%	100.0%	0.0%	100.0%	28.3%	63.2%	63.7%	35.7%	59.9%	59.3%				

The figures above do not reflect the release of respective reserves for final debt service payment if cash reserves are held.

⁽¹⁾ 1993 Lease A: 80.5% Community Center Fund, 11.5% General Fund, and 8.0% Culture and Leisure 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. Efforts are underway to refinance this debt issue.

⁽³⁾ The 2002 Certificate of Participation (COP) were fully refunded by the 2016 Refunding Revenue Bonds (H Street Complex) in January 2016. Along with the refunding, the City of Sacramento assumed 100% of the guarantee of payment, with offsetting lease revenue payments.

⁽⁴⁾ 2006 Capital Improvement Revenue Bonds, Series A were fully refunded by the 2015 Refunding Revenue Bonds. 2006 Capital Improvement Revenue Bonds Series B: 71.7% General Fund and 28.3% RASA Master Lease (65th Street, Army Depot, North Sacramento, River District)

⁽⁵⁾ 2006 Capital Improvement Revenue Bonds, Series C were fully refunded by the 2015 Refunding Revenue Bonds. 2006 Capital Improvement Revenue Bonds, Series D and E: 53.2% Water Fund, 36.9% General Fund, 7.9% North Natomas Fund, 1.1% RASA Master Lease (Stockton Boulevard), and 0.9% Culture and Leisure Fund.

⁽⁶⁾ The debt service for the 2015 Golden 1 Center Lease Revenue Bonds is offset by a Lease Rental Payment from the Sacramento Kings or its affiliates as well as Capitalized interest through October 2017. Other revenue sources may further offset required debt service payments.

⁽⁷⁾ 2015 Refunding Revenue Bonds: 64.3% General Fund, 16.6% Water Fund, 8.8% Solid Waste Fund, 8.3% Parking Fund, 1.8% North Natomas Fund, 0.3% Culture and Leisure Fund.

⁽⁸⁾ Total Leases and Loans: 40.0% General Fund, 38.8% Parking Fund 13.2% Solid Waste Fund,5.3% Marina Fund, 1.8% RASA (Merged Downtown), and 0.9% Wastewater.

⁽⁹⁾ Data based on Fiscal Year 2016-17 General Fund Revenue Forecast of\$432,118,000

Source: City of Sacramento