



Municipal Market Disclosure Information Cover Sheet

This Filing Applies to:

1. City of Sacramento Water Revenue Refunding Bonds, Series 2020 (Federally Taxable),
\$188,390,000 Dated: May 6, 2020
786089JA1, 786089JB9, 786089JC7, 786089JD5, 786089JE3, 786089JF0, 786089JG8, 786089JH6,
786089JJ2, 786089JK9, 786089JL7, 786089JM5, 786089JN3, 786089JP8, 786089JQ6, 786089JR4

TYPE OF FILING:

If information is also available on the Internet, give URL: www.dacbond.com

WHAT TYPE OF INFORMATION ARE YOU PROVIDING? (Check all that apply)**Financial / Operating Data Disclosures****Rule 15c2-12 Disclosure**

Annual Financial Information & Operating Data (Rule 15c2-12)

2020 Operating Data - Series 2020 Water

Audited Financial Statements or CAFR (Rule 15c2-12)

Failure to provide as required

Additional / Voluntary Disclosure

Quarterly / Monthly Financial Information

Change in Fiscal Year / Timing of Annual Disclosure

Change in Accounting Standard

Interim / Additional Financial Information / Operating Data

Budget

Investment / Debt / Financial Policy

Information Provided to Rating Agency, Credit / Liquidity Provider or Other Third Party

- Consultant Reports
- Other Financial / Operating Data

Event Filing

Rule 15c2-12 Disclosure

- Principal / Interest Payment Delinquency
- Non-payment Related Default
- Unscheduled Draw on Debt Service Reserve Reflecting Financial Difficulties
- Unscheduled Draw on Credit Enhancement Reflecting Financial Difficulties
- Substitution of Credit or Liquidity Provider, or Its Failure to Perform
- Adverse Tax Opinion or Event Affecting the Tax-exempt Status of the Security
- Modification to the Rights of Security Holders
- Bond Call
- Defeasance
- Release, Substitution or Sale of Property Securing Repayment of the Security
- Rating Change
- Tender Offer / Secondary Market Purchases
- Merger / Consolidation / Acquisition and Sale of All or Substantially All Assets
- Bankruptcy, insolvency, receivership or similar event
- Successor, Additional or Change in Trustee
- Failure to Provide Event Filing Information as Required
- Financial Obligation - Incurrence and Agreement
- Financial Obligation - Event Reflecting Financial Difficulties

Additional / Voluntary Disclosure

- Amendment to Continuing Disclosure Undertaking
- Change in Obligated Person
- Notice to Investor Pursuant to Bond Documents
- Communication From the Internal Revenue Service
- Bid For Auction Rate or Other Securities
- Capital or Other Financing Plan
- Litigation / Enforcement Action
- Change of Tender Agent, Remarketing Agent or Other On-going Party
- Derivative or Other Similar Transaction
- Other Event-based Disclosures

Asset-Backed Securities Filing

Additional / Voluntary Disclosure

- Initial Asset-Backed Securities Disclosure (SEC Rule 15Ga-1(c)(1))
- Quarterly Asset-Backed Securities Disclosure (SEC Rule 15Ga-1(c)(2)(i))
- Annual Asset-Backed Securities Disclosure (SEC Rule 15Ga-1(c)(2)(ii))
- Other Asset-Backed Securities Disclosure (e.g. notice of termination of duty to file reports pursuant to SEC Rule 15Ga-1(c)(3))

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Entity: Sacramento, CA, City of

Digital Assurance Certification

Filing Certificate

DAC transmitted the Annual Financial Information & Operating Data (Rule 15c2-12) to EMMA/SID (if applicable) on behalf of Sacramento, CA, City of under their SEC Rule 15c2-12 Continuing Disclosure Agreement.

Transmission Details: P31083802

Date & Time Stamp: 03/30/2021

Document Name or Event Type: Annual Financial Information & Operating Data (Rule 15c2-12)

Document Description: 2020 Operating Data - Series 2020 Water

DAC Bond Coversheet: Yes

Transmitted to: MSRB-EMMA

Total CUSIPs associated with this Filing: 16

Filing made on Series: 2020

Codes: **P** (Prerefunded), **R** (Refunded), **U** (Unrefunded), **E** (Escrowed), **A** (Advance Refunding), **D** (Defeased), **T** (Tendered), **V** (Derivatives), **UD** (Undetermined), **NLO** (No Longer Outstanding)

Red: Original CUSIPs - filing missed · **Blue:** Non-Original CUSIPs - filing missed · **Green:** Outstanding CUSIPs - filing made · **Black:** Inactive CUSIPs

1. Issue: City of Sacramento Water Revenue Refunding Bonds, Series 2020 (Federally Taxable), \$188,390,000 Dated: May 6, 2020

CUSIP: 786089JA1, 786089JB9, 786089JC7, 786089JD5, 786089JE3, 786089JF0, 786089JG8, 786089JH6, 786089JJ2, 786089JK9, 786089JL7, 786089JM5, 786089JN3, 786089JP8, 786089JQ6, 786089JR4

No missing CUSIPs for this bond issue

City of Sacramento
Annual Continuing Disclosure Report
Fiscal Year 2019-20

Issue	City of Sacramento Water Revenue Refunding Bonds, Series 2020
Par	\$188,390,000
Issued	May 6, 2020
CUSIP Numbers	786089JA1 786089JB9 786089JC7 786089JD5 786089JE3 786089JF0 786089JG8 786089JH6 786089JJ2 786089JK9 786089JL7 786089JM5 786089JN3 786089JP8 786089JQ6 786089JR4

Content of Annual Report

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

- (a) The City's audited Annual Financial Report (AFR) for the prior fiscal year.

The City's AFR for the prior fiscal year was uploaded as a separate document to EMMA. The AFR is also available on the City's website at:

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

(b) Numerical or tabular data of the type contained in the following tables in the Official Statement, to reflect actual results of the most recently completed fiscal year (projections need not be updated):

(1) Table 2 - Average Water Production

See Exhibit A - Table 2

(2) Table 5 - Number of Connections by User Type

See Exhibit B - Table 5

(3) Table 6 - Largest Users by Service Charge Revenues

See Exhibit C - Table 6

(4) Table 8 - Selected Monthly Rates

See Exhibit D - Table 8

(5) Table 9 - Uncollected Water System Charges

See Exhibit E - Table 9

(5) Table 11 - Summary of Projected Operating Results (to be updated to show actual results of most recently completed fiscal year; projections of future fiscal years do not have to be updated or included in Annual Report.)

See Exhibit F - Table 11

Voluntary Disclosure

See Exhibit G - Outstanding Water Fund Debt Service

Exhibit A

Table 2
Average Water Production
Fiscal Year Ending June 30, 2020

Water Source	Annual Production	Contribution Percentage	Average Daily Production Rate Over Year (MGD)	Max Month Average Daily Production Rate (MGD)
Sacramento River Water Treatment Plant	15,244	46.3%	42	67
Fairbairn Water Treatment Plant	10,760	32.7%	29	41
Groundwater Wells	6,907	20.9%	19	20
Total	32,912	100%	90	128

Notes: MG = million gallons; MGD = million gallons per day

Source: City of Sacramento

Exhibit B

Table 5
Number of Connections by User Type
(Fiscal Year Ending June 30, 2020)

User Type	2016	2017 ⁽¹⁾	2018 ⁽¹⁾	2019 ⁽¹⁾	2020 ⁽¹⁾
Residential	126,973	127,810	129,277	131,277	132,818
Commercial/Industrial	9,157	11,428	11,458	11,554	11,851
Total All Users ⁽¹⁾	136,130	139,238	140,735	142,831	144,669

(1) The number of connections reported in FY2016 excluded fire accounts. These accounts are included in the number of connections for FY2017 through FY2020

Source: The City of Sacramento

Exhibit C

Table 6
City of Sacramento
Water System
Largest Users by Service Charge Revenues
Fiscal Year Ending June 30, 2020

User	Service Charge Revenue	Percentage of System Revenue
City Of Sacramento	\$ 4,711,978	3.32%
State Of California	\$ 1,243,836	0.88%
Sacto City Unified School District	\$ 1,079,888	0.76%
Proctor & Gamble Mfg Co	\$ 776,255	0.55%
Sacramento Housing And Redevelopment Agency	\$ 623,135	0.44%
SMUD (Sacramento Power Authority)	\$ 568,839	0.40%
Hp Hood Llc	\$ 508,460	0.36%
Cg Woodlands Limited Partnership	\$ 447,881	0.32%
Riverpoint - 714 Llc	\$ 395,530	0.28%
HRA Woodlake Vlg LLC	\$ 302,226	0.21%
Total	\$ 10,658,029	7.52%
Total User Service Charge Revenue	\$ 141,801,000	

Source: The City of Sacramento

Exhibit D

Table 8
City of Sacramento
Water System
Selected Monthly Rates

	July 1, 2019
Flat Water Rates (\$/month)	
Single Family Residential:	
1-3 Rooms	47.32
4-5 Rooms	61.58
6-9 Rooms	66.95
10-15 Rooms	77.35
Over 15, each additional room	5.43
Metered Water Use, Unit Rate:	
Water Usage Rates (\$/CCF):	1.4587
Service Charge (\$/month)	
Water Meter Size:	
5/8" x 3/4"	35.72
3/4"	35.72
1"	35.72
1 1/2"	67.29
2"	105.15
3"	193.49
4"	319.72
6"	635.25
8"	1,013.87
10"	1,455.63
12"	2,717.78
<p>*On March 29, 2016, the City Council approved four-year rate increases for water (10% per year), to take effect on July 1, 2016, July 1, 2017, July 1, 2018, and July 1, 2019 respectively.</p>	
<p>Source: The City of Sacramento</p>	

Exhibit E

Table 9
City of Sacramento
Water System
Uncollected Water System Charges
(Fiscal Year Ending June 30)

	<u>2016⁽¹⁾</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020⁽²⁾</u>
City Water Charges	\$ 240,064	\$ 190,529	\$ 167,798	\$ 142,743	\$ -

⁽¹⁾ Uncollected Water system charges in FY2016 were overstated in previous disclosures.

⁽²⁾ Due to a billing system upgrade, the writeoff process was not activated during FY2020. Total Uncollected Water System charges for FY2020 in the amount of \$191,185 will be reported in FY2021.

Source: The City of Sacramento

Exhibit F

**Table 11
City of Sacramento
Water System
Actual Operating Results (in thousands)**

Actual Operating Results	Notes	2019/20
<u>Operating Revenues</u>		
Utility Rate Fees		\$ 141,801
Wholesale Water Sales		\$ 2,247
Interest Earnings	1)	\$ 3,885
Miscellaneous Revenues		\$ 941
Total Operating Revenues:		\$ 148,874
<u>General Fund Tax Transfer Out:</u>		
General Fund Tax	2)	\$ (15,083)
System Net Revenues		\$ 133,791
<u>Maintenance and Operation Costs</u>		
Employee Services		\$ (44,755)
Services and Supplies		\$ (23,025)
Total Maintenance and Operation Costs		\$ (67,780)
(Deposit to) / Withdrawal From Rate Stabilization Fund:	3)	\$ -
System Net Revenues		\$ 66,011
<u>Debt Service</u>		
<u>Parity Obligations and Bonds</u>		
California Department of Public Health Loan (ARRA Loan)	4)	\$ (639)
Water Revenue Bonds, Series 2013		\$ (13,662)
Water Revenue Bonds, Series 2017		\$ (3,375)
California State Water Resources Control Board Drinking Water Loan (SRF Loan)		\$ (448)
Subtotal Parity Obligations and Bonds Debt Service		\$ (18,124)
<u>Subordinate Obligations</u>		
Subordinate Debt Service - (N/A at this time)		\$ -
Subtotal Subordinate Obligations Debt Service		\$ -
<u>Unsecured Obligations</u>		
2015 Refunding Revenue Bonds - Plant Expansion	5)	\$ (6,876)
2006 Capital Improvement Bond, Series E - Plant Expansion		\$ (4,844)
Subtotal Unsecured Obligations Debt Service		\$ (11,720)
Total Water Fund Debt Service (Parity/Bonds + Subordinate + Unsecured)		\$ (29,844)
<u>Coverage Requirement Compliance</u>		
Parity Obligations and Bonds (Requirement is 1.20 times)		3.642 x
Parity / Bonds + Subordinate Obligations + Unsecured Obligations (Requirement is 1.00 Times)		2.212 x
<u>Cash Funding of Facilities</u>		
Capital Outlay (PayGo & Use of Water Fund Capital Reserve)		\$ (9,915)
<u>Net Change to Fund Balance</u>		
Beginning Water Fund Balance:	6)	\$ 103,029
Ending Water Fund Balance:	7)	\$ 123,951

Notes

- 1) Includes interest earnings/revenue associated with Water Development Fees Fund and the Water Use Fee Fund.
- 2) The voter approved general fund tax is equal to 11% of the collected utility rate revenue. See "General Fund Tax on Water System Revenues"
- 3) Adjustments to the Rate Stabilization Fund are estimated to result in the Rate Stabilization Fund being funded in an amount equal to 25% of all current maximum debt service (parity, subordinate and unsecured).
- 4) Pursuant to the terms of the Funding Agreement between the California Department of Public Health and the City, deposits to the reserve fund must be made over the first ten years of the loan repayment term.
- 5) Existing payments by the Water Fund to the City's General Fund to cover existing general fund debt for water-related facilities associated with the City's Master Lease revenue Bond Program. The Water Fund revenue is utilized, but not directly pledged, to make debt service payments.
- 6) The Beginning Unrestricted Fund Balance is based on the City's budgetary basis of accounting which treats purchase order encumbrances and multi-year project appropriations as expended in the year appropriated. As a result, the Beginning Unrestricted Fund Balance is significantly lower than the unrestricted cash and investments reported in the City's Comprehensive Annual Financial Report.
- 7) Includes the correction of certain debt service amounts that were double counted as long-term liabilities and nets out the balance in the rate stabilization fund, which was previously treated as unrestricted fund balance.

Exhibit G

**Outstanding Water Fund Debt Service
(as of June 30, 2020)**

Fiscal Year	Parity Obligations and Bonds					Unsecured Obligations*		Total Obligations and Bonds
	2013 Water Revenue Bonds	ARRA Loan	2017 Water Revenue Bonds	2017 Drinking Water Loan	2020 Water Revenue Refunding Bonds	2015 Refunding Revenue Bonds**	2006 Capital Improvement Revenue Bonds, Series E	
FY21	5,717,250.00	702,382.25	3,378,162.50	2,821,444.08	6,980,464.53	6,863,825.00	4,844,583.90	31,308,112.26
FY22	5,717,375.00	702,382.25	3,378,537.50	10,247,716.50	6,976,009.23	6,854,375.00	4,844,583.90	38,720,979.38
FY23	5,720,375.00	670,455.79	3,376,662.50	10,247,716.50	6,980,679.95		11,087,408.10	38,083,297.84
FY24	5,718,875.00	638,529.32	3,377,412.50	10,247,716.50	6,978,376.30		11,081,158.50	38,042,068.12
FY25	5,719,500.00	638,529.32	3,375,662.50	10,247,716.50	6,978,496.35		11,071,460.71	38,031,365.38
FY26		638,529.32	3,376,287.50	10,247,716.50	12,698,491.05		11,062,328.31	38,023,352.68
FY27		638,529.32	3,379,037.50	10,247,716.50	12,697,758.93		11,047,940.90	38,010,983.15
FY28		638,529.32	3,378,787.50	10,247,716.50	12,697,262.96		11,041,887.96	38,004,184.24
FY29		638,529.32	3,375,537.50	10,247,716.50	12,700,230.66		11,028,256.96	37,990,270.94
FY30		638,529.32	3,379,037.50	10,247,716.50	12,695,370.96		11,011,061.50	37,971,715.78
FY31		638,529.32	3,379,037.50	10,247,716.50	12,699,831.96		10,998,844.00	37,963,959.28
FY32		638,529.32	3,375,537.50	10,247,716.50	12,698,526.61		10,985,267.81	37,945,577.74
FY33		319,264.68	3,378,287.50	10,247,716.50	12,695,681.53		10,969,043.36	37,609,993.57
FY34			3,377,037.50	10,247,716.50	12,697,606.00			26,322,360.00
FY35			3,376,662.50	10,247,716.50	12,698,359.30			26,322,738.30
FY36			3,376,312.50	10,247,716.50	12,699,440.70			26,323,469.70
FY37			3,376,612.50	10,247,716.50	12,700,054.00			26,324,383.00
FY38			3,378,812.50	10,247,716.50	12,701,233.50			26,327,762.50
FY39			3,377,237.50	10,247,716.50	12,696,680.50			26,321,634.50
FY40			3,375,862.50	10,247,716.50	12,700,997.50			26,324,576.50
FY41			3,378,987.50	10,247,716.35	12,693,866.50			26,320,570.35
FY42			3,376,362.50		12,694,969.50			16,071,332.00
FY43			3,377,737.50		12,698,750.00			16,076,487.50
FY44			3,374,406.25					3,374,406.25
FY45			3,375,687.50					3,375,687.50
FY46			3,374,225.00					3,374,225.00
FY47			3,374,625.00					3,374,625.00
FY48			3,376,362.50					3,376,362.50
Total	28,593,375.00	8,141,248.85	94,554,918.75	207,775,773.93	263,459,138.52	13,718,200.00	131,073,825.91	747,316,480.96

*Unsecured Obligations represent the appropriated amount of debt from certain financing and are obligations of the City's General Fund.

**The 2005 Refunding Revenue Bonds were refunded by the 2015 Lease Revenue Bonds in December 2015.

***In December 2017, City obtained \$173.1 million in funding of parity obligation bonds from the California State Water Resources Control Board's Drinking Water State Revolving Fund. As of FY2021, the City anticipates that approximately \$20-25 million of the approved loan amount will not be used. Estimated payments are derived from the debt service schedule from the Installment Sale Agreement; actual payments will be updated in the future to reflect the unused loan amount.