

**Meeting Date:** 7/28/2015

**Report Type:** Consent

**Report ID:** 2015-00575

**Title: (Housing Authority/City Council) Comprehensive Annual Financial Report for the Sacramento Housing and Redevelopment Agency**

**Location:** Citywide

**Recommendation:** Receive and file.

**Contact:** Kelly Tang, SHRA Interim Finance Manager, (916) 440-1319, Sacramento Housing and Redevelopment Agency

**Presenter:** None

**Department:** Sacramento Housing & Redevelopment Agency

**Division:** Sacramento Housing & Redevelopment Agency

**Dept ID:** 99991011

**Attachments:**

1-Description/Analysis

2-SHRA 2014 CAFR

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**City Attorney Review**

Approved as to Form  
Sheryl Patterson  
7/16/2015 4:34:03 PM

**SHRA Counsel Review**

Approved as to Form  
David Levin  
7/9/2015 3:36:58 PM

**Approvals/Acknowledgements**

Department Director or Designee: LaShelle Dozier - 7/9/2015 3:36:58 PM

## Description/Analysis

**Issue:** The audit firm of Macias Gini & O’Connell LLP has audited the financial statements of the Sacramento Housing and Redevelopment Agency (SHRA) and issued its unmodified (clean) opinion that these documents for the year ending December 31, 2014 are fairly presented in accordance with Generally Accepted Accounting Principles (GAAP) in the United States of America. The CAFR is presented in a standard format prescribed by the Government Finance Officers Association (GFOA).

The CAFR is organized into three major sections. First is the **Introductory Section** with a transmittal letter summarizing economic conditions, budget initiatives, etc. Next is the **Financial Section** which is comprised of the Management Discussion and Analysis (MD&A), which provides a narrative overview of the financial statements and compares changes from year to year. The basic financial statements follow the MD&A and report the financial position and results of operations of SHRA as a whole and the financial performance of SHRA’s governmental funds, proprietary funds and component units. Footnotes to the financial statements are included to provide additional information. Lastly, the **Statistical Section** provides information on selected financial, demographic, and operating trend information.

The audit includes the following entities:

- Sacramento Housing and Redevelopment Agency
- Housing Authority of the City of Sacramento
- Housing Authority of the County of Sacramento
- Norwood Avenue Housing Corporation (NAHC)
- Sacramento Housing Authority Asset Repositioning Program, Inc. (SHARP)
- Sacramento Housing Development Corporation
  - Riverview Plaza Associates
- Shasta Hotel Corporation
  - Shasta Hotel Investors Partnership

**Policy Considerations:** There are no policy implications as a result of this informational report.

**Economic Impacts:** Not applicable.

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** The proposed action is an administrative activity and is not considered a project under CEQA per the Guidelines Section 15378(b).

**Sustainability Considerations:** Not applicable.

**Other:** The proposed action is an exempt activity pursuant to 24 Code of Federal Regulations 58.34(a)(2) & (3) and further environmental review is not required under the National Environmental Policy Act (NEPA).

**Commission Action:** At its meeting of July 15, 2015, the Sacramento Housing and Redevelopment Commission received the attached report. No specific action was required.

**Rationale for Recommendation:** This item is for information only and no action is required.

**Financial Considerations:** This is an informational report only.

**LBE/M/WBE/Section 3 and First Source Considerations:** Not applicable.



**Sacramento Housing and Redevelopment Agency  
Sacramento, California**

**Comprehensive Annual Financial Report**

**For the year ended December 31, 2014**

**SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY**

**SACRAMENTO, CALIFORNIA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

For the Year Ended December 31, 2014

**ACKNOWLEDGEMENT**

Prepared by the Sacramento Housing and Redevelopment Agency  
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**SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

For the Year Ended December 31, 2014

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# *Introductory Section*



INVESTING IN COMMUNITIES

June 22, 2015

City Council, Housing Authority  
of the City of Sacramento  
Board of Supervisors, Housing Authority  
of the County of Sacramento  
Sacramento Housing and Redevelopment Commission  
Sacramento Housing Development Corporation  
Sacramento, California

State law requires that the Sacramento Housing and Redevelopment Agency (the Agency) publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) applied to governmental entities. The financial statements are to be audited by certified public accountants in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Pursuant to that requirement, we hereby issue this Comprehensive Annual Financial Report (CAFR) of the Agency for the year ended December 31, 2014.

Management assumes full responsibility for the completeness and reliability of the information contained in this report. To provide a reasonable basis for making these representations, Agency management has established a comprehensive internal control framework that is designed both to protect the Agency's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Agency's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Agency's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Agency's financial statements have been audited by Macias Gini & O'Connell LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Agency as of and for the year ended December 31, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Agency's financial statements as of and for the year ended December 31, 2014, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report, which can be found on pages 1 and 2.

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Sacramento, CA 95814  
[www.shra.org](http://www.shra.org)

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

### **PROFILE OF THE AGENCY**

The Agency is located in Sacramento, California. The City of Sacramento, established in 1849, serves as the capitol for the State of California and is the center of state government. Sacramento also serves as the seat of Sacramento County government. It is the sixth largest populated city in California and continues to see a migration of people from the San Francisco Bay Area and Southern California. The State of California Department of Finance estimates the population on January 1, 2014 at 475,122 for the City and 1,454,406 for the County of Sacramento. Sacramento encompasses 99 square miles and is located in the northern section of California's burgeoning Central Valley. Sacramento is a charter city and operates under a Council-Manager form of government.

The Agency is a joint powers authority formally created in 1982 (but operating since 1973) to provide common professional staffing to the City and County of Sacramento to administer and manage its housing authorities and the city and county federal housing and community development entitlement funds. The Agency is a separate legal entity and is not a component unit of the City or County of Sacramento. The Agency receives no City or County general funds and is not included in the Comprehensive Annual Financial Report of either the City or County of Sacramento.

The members of the joint powers agency included the City and County of Sacramento, the Housing Authorities of the City and County of Sacramento and the Redevelopment Agencies of the City and County of Sacramento. On February 1, 2012, all Redevelopment Agencies in the State of California were eliminated and replaced with a Successor Agency responsible for the wind down of former redevelopment agency activities and obligations. On February 1, 2012, the legal and treasury functions related to the administration and management of the former redevelopment activities and payment of debt for the former redevelopment agencies of the City and County of Sacramento were assumed within the City and County management structure. However, all housing assets and housing functions of the former redevelopment agencies were assumed by the Housing Authority of the City and the Housing Authority of the County to be staffed, managed and administered by the Agency

The Agency serves as the fiscal agent/administrator and provides the exclusive staffing for the Housing Authorities of the City and County of Sacramento. The Housing Authorities of the City and County were formed in July 1939 and June 1940, respectively. Additionally, since June of 1982 the Agency administers and manages the federal Community Development Block Grant Programs (CDBG) and Home Investment Partnership Programs (HOME) for the City and County of Sacramento. In 2012 with changes to federal regulations related to Homeless Continuum of Care funding, the Agency assumed administration of Housing Opportunities for Person with AIDS (HOPWA), a federal grant program from the County of Sacramento. Also in 2012, the Agency assumed administration of the Emergency Solutions Grant (ESG) and Shelter Plus Care (SPC) programs from the County of Sacramento.

The governing board of the Agency is the Sacramento Housing and Redevelopment Commission (Commission). The Commission's authority to approve housing related projects, programs, and budgets is limited to what is delegated to them by the governing boards of the Agency members. The City Council serves as the City Housing Authority and the City Redevelopment Agency Successor Agency governing boards and retained the power to approve City housing related projects, programs and budgets. The County Board of Supervisors, serves as the County Housing Authority and the County Redevelopment Agency Successor Agency governing boards and retained power to approve County related housing agenda items. The Commission also serves in an advisory capacity for each

Agency member and the Commission has operational authority within the budget and policy direction approved by the City Council and County Board of Supervisors.

The Agency has defined its reporting entity in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, which provides guidance for determining which governmental activities, organizations, and functions should be included in its reporting entity. The component units discussed in the following paragraphs are included in the Agency's reporting entity because of the significance of their operational or financial relationships with the Agency. Blended component units, although legally separate entities are, in substance, part of the government's operations. The discretely presented component units are reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that they are legally separate from the Agency. Complete financial statements of individual component units can be obtained from the Finance Department of the Agency.

### **Blended Component Unit**

**Foundation Uniting Needs and Dollars (FUND, Inc.)** - A nonprofit corporation established to maintain or aid charitable activities serving the public. It is a component unit of the Agency because the purpose of this corporation is to promote and support the activities and programs of the Agency. The Board of Directors of FUND, Inc. is comprised of the members of the Commission. Acting in its capacity as the Board of Directors, the Commission approves the FUND, Inc. budget. The Executive Director of the Agency serves as the Executive Director of FUND, Inc.

### **Discretely Presented Component Units**

**Sacramento Housing Development Corporation (SHDC)** - A nonprofit public benefit corporation created to serve as the general partner of Riverview Plaza Associates (RPA). It is a component unit of the Agency because the governing board of the SHDC is comprised of the members of one of the governing boards of the Agency, the County Board of Supervisors. The Housing Authority of the City of Sacramento is legally obligated to finance any deficits of SHDC. Also, the Executive Director of the Agency serves as the Executive Director of SHDC. SHDC is the General Partner of the following limited partnership:

**Riverview Plaza Associates (RPA)** - A California limited partnership created to provide affordable housing to seniors with limited income. One of the governing boards of the Agency (the County Board of Supervisors) serves as the Board of Directors of the general partner. The Housing Authority of the City of Sacramento serves as the limited partner. Additionally, through contractual arrangement, the Agency is responsible for all financial matters including management of daily operations. Finally, the Agency has historically contributed funds to cover obligations of the RPA, to the extent that RPA revenues are inadequate. During the year ended December 31, 2014, the Agency did not contribute to RPA.

**Shasta Hotel Corporation (Corporation)** - A nonprofit corporation with a governing board comprised of Agency staff and representatives of selected nonprofit housing and social service entities. It is a component unit because the general partner's governing board members serve at the direction of the Executive Director of the Agency, and through contractual arrangements, the Agency is responsible for financial and operational matters of the Partnership. The Corporation is the General Partner of the following limited partnership:

**Shasta Hotel Investors Partnership-** A California limited partnership created for the purpose of constructing and operating an 80 unit rental housing project in Sacramento, California. The Partnership is comprised of the following two entities: (1) Shasta Hotel Corporation, as managing general partner and (2) Norwood Avenue Housing Corporation, a California nonprofit public benefit corporation as limited partner.

**Norwood Avenue Housing Corporation (NAHC)** - A nonprofit public benefit corporation with a governing board comprised of three Agency staff appointed by the Executive Director of the Agency and two community representatives. It is a component unit because through contractual arrangements, the Agency bears some responsibility for financial and operational matters of NAHC, as well as having the ability to impose its will on the NAHC.

**Sacramento Housing Authority Asset Repositioning Program, Inc.** - As a nonprofit public benefit corporation, the Sacramento Housing Authority Repositioning Program, Inc. (SHARP), was formed for the purpose of serving as the general partner of the entity that will own, rehabilitate and operate former public housing properties acquired through HUD's assets demolition and disposition process. The purpose of SHARP is to allow the Housing Authority of the City of Sacramento and the Housing Authority of the County of Sacramento to leverage private sector capital to make improvements to housing inventory removed from the federal Public Housing program through HUD's asset disposition process. SHARP board members will be appointed by the Agency's Executive Director. Assets transferred to SHARP will be rehabilitated through various financing structures including the use of limited partnerships that will be able to benefit from the use of tax credit financing.

## **Budget**

The annual budget of the Agency, consisting of the operating and project budgets, is adopted on a calendar year basis. Prior to December 25<sup>th</sup>, the Executive Director submits a proposed operating budget to the governing bodies for review and approval. The budget is legally enacted through passage of resolutions prior to January 1 of each year. The budget adoption resolution specifies that the legal level of budgetary control is at the fund level. Budgeted expenditures represent original appropriations adjusted by supplemental budgetary appropriation amendments.

Annual operating budgets are adopted on a modified accrual basis for all debt service funds, Local Tax Special Revenue funds, Community Services and Housing Special Revenue funds, except for the City Housing Successor, County Housing Successor, and FUND, Inc. Project budgets are adopted for the Agency's major special revenue funds, City and County HOME, for the duration of the project which may extend over several years. The adopted project budgets for the Community Development Special Revenue funds and for the Capital Project funds are adopted on a project length basis. Additionally, although not legally required, the Agency adopts annual budgets for the Enterprise, Internal Service, and certain Component Unit funds.

### **FACTORS AFFECTING ECONOMIC CONDITION**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Agency operates.

## **Local economy**

Like most cities in the country, Sacramento continued its modest economic recovery in 2014. As of June 2014, unemployment for the Sacramento metropolitan area and Sacramento County was 6.9% and 7.1%, respectively, compared to 8.4% and 8.7%, respectively, as of June 30, 2013. According to the latest University of California, Los Angeles Economic Forecast, recovery in California is expected to continue in 2015.

While there is an expectation of continued economic recovery and growth, recent economic data indicates that economic growth in the Sacramento region will be slow, and will continue to generally lag behind national trends and other areas of California. It is encouraging that the latest edition of the Brookings Institution Metro Monitor (September 2014) showed growth in employment in the first two quarters of 2014 along with higher housing values.

## **Long-term financial planning**

Recognizing an emerging trend toward economic instability on a national and local level, the Agency adopted conservative fiscal strategies in anticipation of a progressive decline in resources. In 2008 the Agency began to restructure and re-engineer the organization which entailed an analysis of the span of control (number of employees reporting to management), process improvements, adjusting service level expectations and implementing initiatives that streamline and consolidate services and functions. Many of the initiatives have been implemented and have resulted in a much more cost effective and efficient organization. Had the Agency not implemented a timely response at the first signs of these fiscal challenges, our current budget situation would have required a more drastic approach.

Some of the guiding principles used to develop the Agency's budget include:

- Protecting "core services" to the greatest extent possible, with delivery of housing programs, public services and capital projects being a major priority;
- Managing program activities by focusing on the efficiency of program delivery and the maximization of results;
- Consideration of the long term financial sustainability;
- Using partnerships with community based organizations and private entities whenever practical; and
- Developing budget plans that deal with the immediate needs of the Agency and employ strategies that address the long-term needs of the communities we serve.

## **Relevant financial policies**

The demand for affordable housing in Sacramento City and County, and in the entire Sacramento region, has increased with the slow housing recovery and as unemployment and household income remains stagnate. In turn, this trend has put pressure on the rental market and has increased the demand for affordable housing. The Agency is committed to increasing the supply of affordable housing and has worked closely with the City and County in the development of inclusionary ordinances, the continuing support of the efforts of Sacramento Steps Forward to end chronic homelessness, and other policies that will help increase rental housing production and homeownership opportunities. As a lender and developer, the Agency strives to efficiently manage its resources in order to address the range of need and reach special populations, the workforce population, and those who are moving out of the rental market and buying their first homes.

## 2014 Accomplishments

Despite the slow recovery of federal funding sources, the Agency's performance continues to be regarded as a model for best practices in affordable housing preservation and production through successful public-private-nonprofit partnerships. Those accomplishments are worthy of recognition.

### Affordable Housing (new construction/renovation/completed)

- Completed renovation and/or construction of seven multi-family developments providing 643 units of affordable housing:
  - Township 9
  - Garden Village
  - Ridgeway Studios
  - Washington Plaza
  - Glen Ellen
  - Greenway Village
  - Los Robles

### Affordable Housing (under construction/renovation/financed)

- Began this year or will commence early next year on 668 units of affordable housing including 12 single family homes:
  - 700 K Street
  - Curtis Park Court Apartments
  - Woodhaven Apartments
  - Sierra Vista Apartments
  - Sutterview Apartments
  - Del Paso Nuevo IV
- Provided \$37 million in Mortgage Revenue Bonds, and \$24.9 million in multifamily loan assistance for affordable housing rehabilitation/construction.
- Approved financing for 60 families for Homebuyer and Mortgage Credit Certificate Programs.
- Managed a \$281 million portfolio of over 1,400 loans.
- Monitored 396 single family regulatory agreements and monitored compliance of more than 1,100 single family home loans.

### Neighborhood Stabilization Program (NSP)

We are continuing to administer Sacramento's federal NSP 3 funds which are being used to rehab homes in low income communities that were severely impacted by the housing crisis.

Specifically, we are working with Volume Builders to rehabilitate multiple properties and in 2014:

- 18 homes were rehabbed and sold under NSP 3, and nine more are currently being rehabbed or are on the market for sale.
- Under our Property Recycle Program, nine of 19 homes are expected to be released to a developer by the end of 2015 for rehab and will then be sold at affordable prices.

#### Commercial/Infrastructure and public facilities (completed/under construction)

- Completed new construction of the Louise A. Perez Community Center, a public-private partnership that provides residents with convenient access to services, programs resources and employment opportunities.
- Completed the first of three phases to rehabilitate and preserve the Bing Kong Tong building in Isleton which will eventually be restored as a community gathering place and museum of Chinese and Chinese American culture and history in the Delta.
- Began design and environmental work for a new Dos Rios Light Rail Station at 12<sup>th</sup> Street and Richards Boulevard. The light rail stop planned for this location will eventually provide convenient access for residents within walking distance of the Twin Rivers public housing community and surrounding areas.
- Completed the Franklin Boulevard Streetscape improvement project and began construction on the Old Florin Town Street improvement project to create safer pedestrian access and attract more customers to local businesses along Franklin Boulevard and Old Florin Town.
- Completed the Femoyer Avenue streetscape project which improves connectivity, to the Mather community and neighborhood schools, as well as access to future development opportunities.
- Providing funding for design work with construction to begin next year on:
  - Meadowview Traffic Signal Project
  - Colonial Heights Improvement Project
  - South Sacramento Lighting Project
  - Walnut Grove ADA Restroom Project
  - Rio Linda Community Center Rehabilitation Project

#### Job Creation and Employment Opportunities

Our work to produce affordable housing and to revitalize communities also creates job opportunities in a range of positions at every step of the process from groundbreaking to grand opening.

It is the Agency's belief that residents who live in the communities where these projects are being completed should have an opportunity to compete for jobs on those projects, and to receive the necessary training and certification to become qualified for employment.

In 2014, the Agency launched the First Source Sacramento job training and hiring program in partnership with the Greater Sacramento Urban League and Sacramento Employment and Training

Agency. The program is a first in the nation, helping low income housing residents compete successfully in the job market through case management, skills assessment, job training and placement. To date:

- Approximately 90 housing program residents received training to register in the First Source Sacramento Program.
- Eight companies and contractors have registered to post job opportunities.
- 16 local residents are working on an affordable housing development project in Del Paso Heights.

### Public Service Programs

- The Agency administers federal programs on behalf of the City and County that support public improvements and services for low income residents, emergency housing and homeless services. These programs include the Community Development Block Grant, Emergency Solutions Grant, and Rapid Re-Housing Programs.
- 296,894 meals were delivered to homes and served at café sites in the City and County through the Meals on Wheels Senior Nutrition Program.
- 577 homeless residents received temporary housing through the Emergency Solutions Grant Program.
- 62 homeless households received placement assistance through the Rapid Re-Housing Program.

### Housing Authority

The Agency serves as the Housing Authority for the City and the County of Sacramento. The Housing Authority provides rent assistance and affordable housing to more than 51,000 low income residents through the Housing Choice Vouchers Program (HCV) and the Conventional Public Housing Program.

### Housing Choice Vouchers Program

After weathering challenges of sequestration, the Agency continues to deliver a very successful HCV program. In 2014, the Agency maintained just over 97 percent leasing of our HUD vouchers, providing rental assistance to an estimated 11,600 families each month. The Agency also:

- Opened the HCV waitlist for the tenant based program in September 2014. After receiving over 46,000 applications in two weeks, 5,000 families were placed on the waitlist by random computerized selection.
- Maintained housing for all existing HCV families despite sequestration in 2013 and reduced funding in 2014.
- Awarded 41 additional vouchers from the Department of Veterans Affairs to provide housing opportunities for homeless veterans and their families. The award brings the total Veterans Affairs Supportive Housing (VASH) vouchers to 355 administered by SHRA.

- Launched the landlord portal in fall 2014. This portal provides a secure avenue for participating landlords and payees to track payments, review past inspections, access tenant ledgers, sign up for direct deposit, change contact information and other related information online. Launching this portal significantly reduced mailing costs and increased productivity with reduced owner calls and more efficient customer service.
- Pulled 2,500 families from the HCV waitlist to reach a goal of 97% lease up of allocated vouchers in 2014 (following the halt in lease up due to sequestration in 2013).

### Public Housing and Local Housing Programs

The Housing Authorities own and/or manage approximately 3,264 housing units within the City and County of Sacramento. Of these, 2,744 of the units were developed under the federal public housing program administered by the Department of Housing and Urban Development (HUD) and are located throughout the Sacramento region with 1,719 units in the City and 1,025 units in the County. In addition to the public housing units, the Housing Authority manages another 520 units of local non-public housing.

In 2014, HUD notified the Agency that the City and County Housing Authorities had received high performer status based upon 2013 operating results. Staff is continuing to streamline operations where possible and diligently monitor operating activities to ensure that we continue to maintain these high standards of performance into the future.

- Three Housing Authority residents competed nationally and won financial scholarships to attend college.
- The Housing Authority entered into a lease with Blossom Ridge to provide in home support services for the elderly residents living at this 80 unit apartment complex.
- Received renewal funding from the U.S. Department of Housing and Urban Development for a city and county Family Self Sufficiency (FSS) Coordinator to develop FSS program. The FSS program is a five year program that assists residents with job searches and links to social services, and allows residents to save a portion of rent subsidy towards future major purchases such as a home, car, or college tuition.
- Submitted the Choice Neighborhoods Initiative Transformation Plan for the Twin Rivers development to HUD.
- Received the Choice Neighborhoods Initiative Planning Grant for Marina Vista and Alder Grove.
- The asset repositioning strategies employed by the Housing Authority of the City of Sacramento over the last three years have been successful. In 2014, construction on the Washington Plaza high-rise was completed and the financing closed for the two other high-rise buildings of Sierra Vista and Sutterview, with construction to commence in early 2015.
- Additionally, the Housing Authorities of the City and County are moving forward on the disposition of 76 scattered single family homes under the Property Resale Entity (PRE) which will result in the elimination of blight through the complete rehabilitation of the homes and provide homeownership opportunities for qualified low income homebuyers.

## INITIATIVES

At the Mayor's State of the City address in early 2015, he committed to adding 10,000 units to the core downtown area in 10 years (Housing Strong Initiative). The Agency was selected to lead this initiative. In April 2015, Sacramento was selected for the federal Promise Zone designation by HUD. This 10 year designation increases the commitment between the Federal government and our Agency in achieving goals set for neighborhood revitalization, economic activity, job creation, educational opportunities, and overall health and wellness. Along with these two new initiatives, the Agency will continue to partner with the City and County of Sacramento to initiate projects and programs that maximize affordable housing opportunities for low-income, very low-income, and extremely low-income households and revitalize low-income communities. A major focus of our housing initiatives will be the development of housing for the chronic homeless and the rehabilitation and replacement of single-room occupancy (SRO) units in the City of Sacramento. We will also continue strategies to eliminate blight and revitalize low-income communities, older commercial corridors, and converted military bases. Our initiatives include infrastructure and community facility improvements, financial assistance for commercial development, homeownership and housing rehabilitation assistance, and intervention to transform troubled rental properties into safe and affordable housing that complements the surrounding neighborhoods.

## AWARDS AND ACKNOWLEDGEMENTS

### **Certificate of Achievement for Excellence in Financial Reporting**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Agency for its comprehensive annual financial report for the year ended December 31, 2013. This was the twenty second consecutive year that the Agency has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

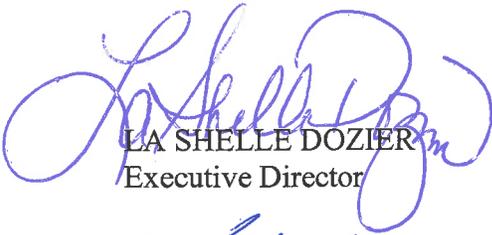
The preparation of this report could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. Their dedication to professional excellence is reflected in an improved comprehensive annual financial report. We would also like to commend the Agency's Commission, the City Council, and the County Board of Supervisors for their interest, support of this substantial effort, and shared commitment to assuring the financial viability of the Agency which remains progressively committed to meeting the economic, redevelopment and housing needs of the communities we serve.

## Meritorious Operating Budget Award

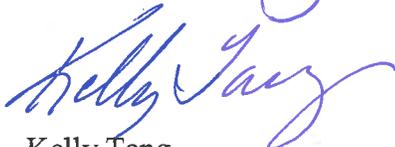
The California Society of Municipal Finance Officers (CSMFO) issued an Operating Budget Meritorious Award to the Agency for its 2014 annual budget. This was the third consecutive year that the Agency has achieved this award. In order to receive this award, a government must meet stringent requirements outlined by the CSMFO including producing a document that is readable, efficiently organized, and provides the reader with a transparent understanding of the government's proposed activities for the reported budget cycle.

The Operating Budget Meritorious Award is valid for a period of one year only. We believe that our current annual budget continues to meet the CSMFO award program requirements and we are submitting it to the CSMFO to determine its eligibility for another award.

Respectfully submitted,



LA SHELLE DOZIER  
Executive Director



Kelly Tang  
Acting Director of Finance



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Sacramento Housing  
and Redevelopment Agency  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2013**

Executive Director/CEO

*California Society of  
Municipal Finance Officers*

*Certificate of Award*

*Meritorious Budget Award  
Fiscal Year 2014*

*Presented to the*

*Sacramento Housing and Redevelopment Agency*

For meeting the criteria established to achieve the Operating Budget Excellence Award.

*June 6, 2014*



*Pauline Marx*

*Pauline Marx*  
CSMFO President

*Ken Brown*

*Ken Brown, Chair*  
Professional Standards and  
Recognition Committee

*Dedicated Excellence in Municipal Financial Reporting*

# **SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY**

## **DIRECTORY OF OFFICIALS**

### **COUNTY HOUSING AUTHORITY**

District 1 – Phil Serna  
District 2 – Patrick Kennedy  
District 3 – Susan Peters  
District 4 – Roberta MacGlashan  
District 5 – Don Nottoli

### **CITY HOUSING AUTHORITY**

Kevin Johnson, Mayor  
District 1 – Angelique Ashby  
District 2 – Allen Warren  
District 3 – Jeff Harris  
District 4 – Steve Hansen  
District 5 – Jay Schenirer  
District 6 – Kevin McCarty  
District 7 – Rick Jennings, II  
District 8 – Larry Carr

### **HOUSING AND REDEVELOPMENT COMMISSION\***

Michael Alcalay  
Bill Chan  
Cathy Creswell  
Mel Griffin  
Thad Johnson  
Tawny Macedo  
Gale Morgan  
Louis Morton  
Jayne Raab  
Mark Stivers

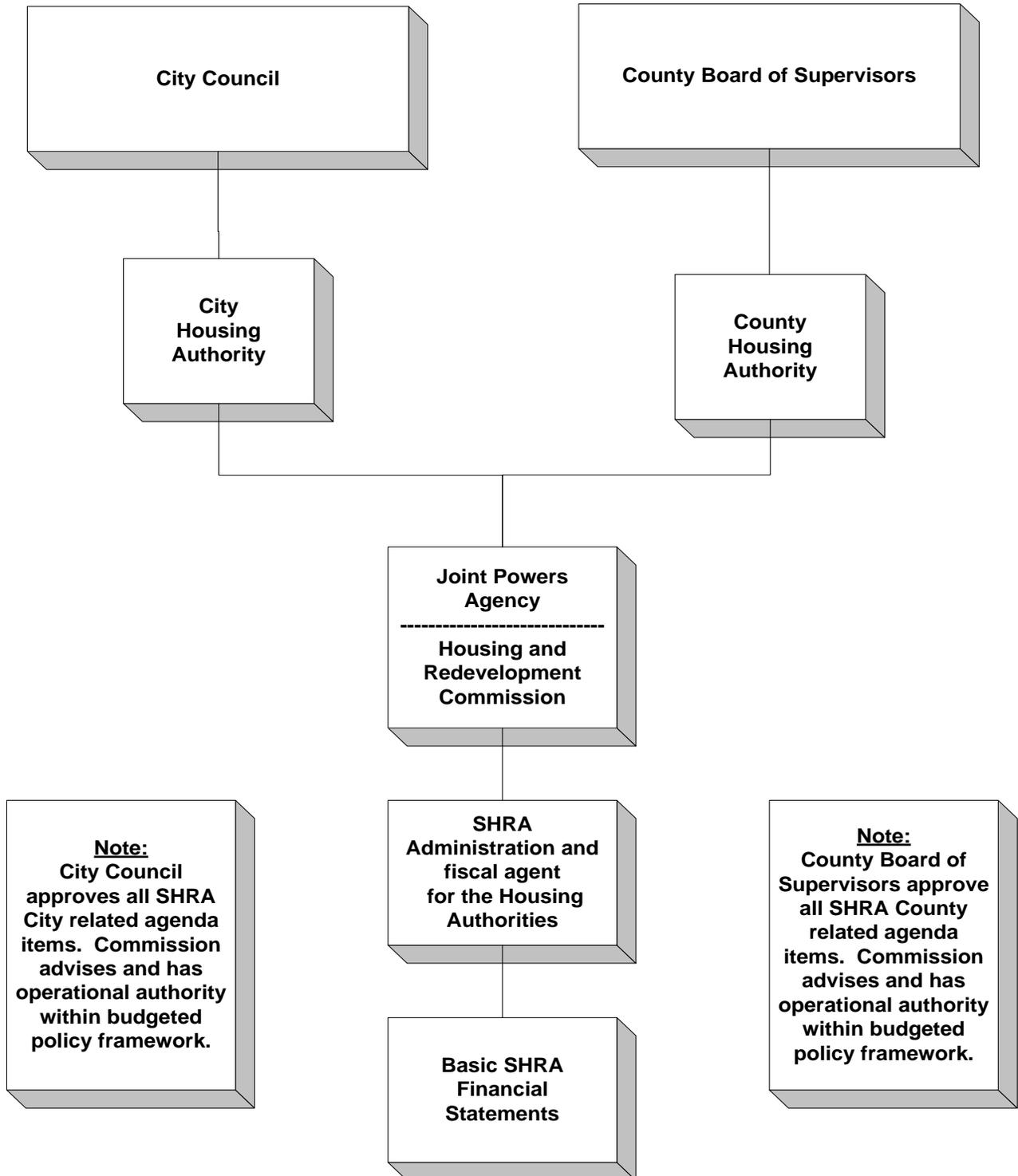
### **SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY**

Executive Director – LaShelle Dozier  
Agency Clerk – Vickie Smith  
Agency Counsel – David Levin

\*Commission Members in office at December 31, 2014

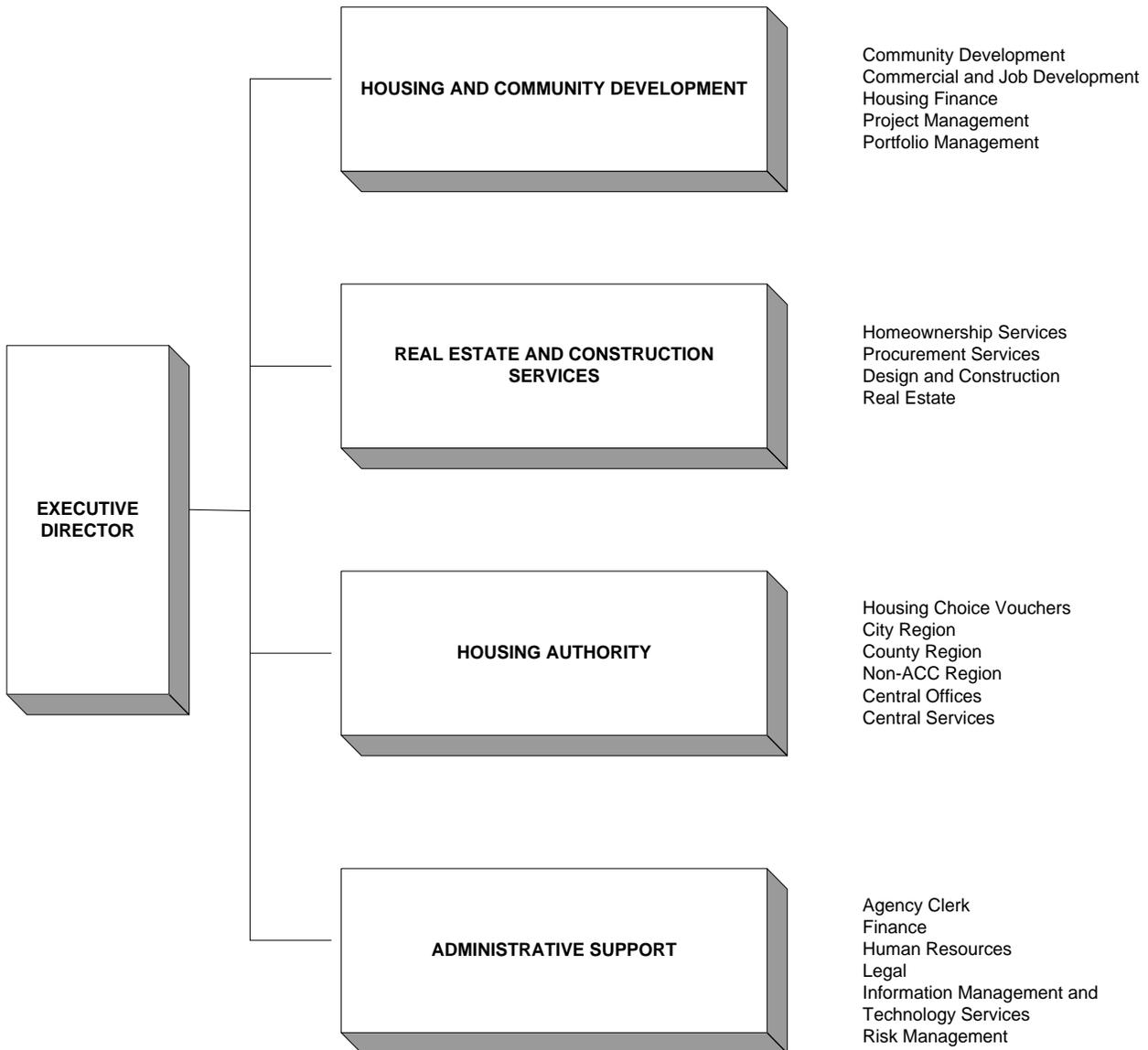
# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

## GOVERNING BODIES AND ADMINISTRATION ORGANIZATION CHART



# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

## DEPARTMENT/DIVISION ORGANIZATION CHART



# *Financial Section*

## INDEPENDENT AUDITOR'S REPORT

Honorable Members of the Sacramento  
City Council, Housing Authority  
of the City of Sacramento  
County Board of Supervisors, Housing Authority  
of the County of Sacramento and  
Sacramento Housing and Redevelopment Commission  
Sacramento, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Sacramento Housing and Redevelopment Agency (Agency), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Shasta Hotel Corporation (Hotel) and the Norwood Avenue Housing Corporation (Corporation) discretely presented component units. The Hotel and Corporation represent 31 percent, 21 percent and 5 percent, respectively, of the assets, revenues, and net position of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Hotel and Corporation, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation of the financial statements.

We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***Opinions***

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Agency, as of December 31, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of funding progress for the pension plan and other postemployment benefits plan, on pages 4-25 and page 70, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The introductory section, combining and individual fund statements and schedules, Schedule of Annual Contribution Contracts for Capital Fund Program (CFP), ROSS Public Housing Self Sufficiency (FSS), ROSS Service Coordinator (SC) Programs and Choice Neighborhood Initiative (CNI) grant, Actual Choice Neighborhoods Planning Grant Cost Certificate Letter, statistical section, Senate Bill 341-Low and Moderate Income Housing Asset Fund Report-City, and the Senate Bill 341-Low and Moderate Income Housing Asset Fund Report-County are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules and Schedule of Annual Contribution Contracts for Capital Fund Program (CFP), ROSS Public Housing Self Sufficiency (FSS), ROSS Service Coordinator (SC) Programs and Choice Neighborhood Initiative (CNI) grant are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the procedures performed as described above, the combining and individual fund statements and schedules and Schedule of Annual Contribution Contracts for Capital Fund Program (CFP), ROSS Public Housing Self Sufficiency (FSS), ROSS Service Coordinator (SC) Programs and Choice Neighborhood Initiative (CNI) grant are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, Actual Choice Neighborhoods Planning Grant Cost Certificate Letter, statistical section, Senate Bill 341-Low and Moderate Income Housing Asset Fund Report-City, and the Senate Bill 341-Low and Moderate Income Housing Asset Fund Report-County have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2015, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Macias Gini & O'Connell LLP". The signature is written in a cursive, slightly slanted style.

San Diego, California  
June 25, 2015

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*Management's  
Discussion  
and  
Analysis*

**Sacramento Housing and Redevelopment Agency**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

This portion of the Sacramento Housing and Redevelopment Agency's (Agency) annual financial report presents a narrative overview and analysis of the Agency's financial activities for the year ended December 31, 2014. Please read this in conjunction with the transmittal letter at the beginning of this report and the Agency's financial statements following this section. All dollar amounts are expressed in thousands unless otherwise indicated.

**FINANCIAL HIGHLIGHTS**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Net position:			
Net investment in capital assets	\$ 25,342	\$ 173,029	\$ 198,371
Restricted	312,809	3,336	316,145
Unrestricted	<u>(1,552)</u>	<u>55,671</u>	<u>54,119</u>
Total net position	<u>\$ 336,599</u>	<u>\$ 232,036</u>	<u>\$ 568,635</u>

The assets of the Agency exceeded liabilities at the end of the 2014 year by \$568,635 (net position). A more detailed explanation of the major categories of the Agency's net position is discussed below:

- \$198,371 is the Agency's net investment in capital assets.
- \$316,145 is restricted to specific purposes (restricted net position). Of this amount \$1,960 was restricted for Housing Choice Vouchers, \$1,802 for debt service, \$149,639 for housing operations, \$155,620 for community development, \$127 for Community Services and \$6,997 for the amount of the OPEB asset, which is for post-retirement benefit costs.
- The unrestricted net position of \$54,119 is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

The Agency's total net position, excluding discretely presented component units, increased over the course of the year by \$22,334 to \$568,635. The net position of governmental activities decreased by \$17,141 and the net position of business-type activities increased by \$39,475.

**Sacramento Housing and Redevelopment Agency**  
**Management's Discussion and Analysis (*Continued*)**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statement is comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements** are designed to provide readers with a broad overview of Agency finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all Agency assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Agency is improving or deteriorating.

The *statement of activities* presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., grant revenue, accounts payable and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the Agency that are principally supported by intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Agency include a variety of federal, state and local housing programs, community development programs funded by the federal government, including the City and County Community Development Block Grant Program (CDBG), community social service programs, and capital projects which include acquisition and construction of major capital facilities.

The business-type activities of the Agency consist of assisted housing, which includes public housing subsidized by the Department of Housing and Urban Development (HUD), locally funded housing projects, and units subsidized by the State of California's California Housing Finance Agency. In addition, the County Housing Authority operates the Housing Choice Voucher (formerly Section 8) Program.

Component units included as a separate column in the Agency's basic financial statements consist of legally separate entities whose inclusion is necessary for the fair presentation in accordance with generally accepted accounting principles. Included within this grouping are: Sacramento Housing Development Corporation, Shasta Hotel Corporation, Sacramento Housing Authority Repositioning Program, Inc., and the Norwood Avenue Housing Corporation.

**Sacramento Housing and Redevelopment Agency  
Management's Discussion and Analysis (Continued)  
For the Year Ended December 31, 2014  
(dollar amounts expressed in thousands)**

**The government-wide financial statements can be found on pages 26 - 27 of this report.**

**Fund Financial Statements** are groupings of related funds that are used to maintain control over resources that have been segregated for specific activities or objectives. The Agency, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the Agency can be divided into two categories: governmental funds and proprietary funds.

**Governmental funds** are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements.

However, unlike the government-wide financial statements, governmental funds financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the Agency's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Agency maintains 60 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the City and County HOME funds and the City and County Housing Successor funds as each is considered a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

**The governmental funds financial statements can be found on pages 28 - 31 of this report.**

**Proprietary funds** include two different types of funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Agency uses enterprise funds to account for City and County Public Housing Authorities' operations, locally funded housing projects, units funded by the State of California's California Housing Finance Agency and the Housing Choice Vouchers program. The Agency maintains 29 individual enterprise funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally

**Sacramento Housing and Redevelopment Agency**  
**Management's Discussion and Analysis (Continued)**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

among the Agency's various functions. The Agency uses internal service funds to account for the internal support services of administrative divisions, payroll, SHRA administration building and self-insurance. Because these services predominantly benefit governmental rather than business-type functions, they have been included with *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The County Housing Choice Vouchers, the County AMP 5, and the City AMP 3 funds are considered to be major funds of the Agency.

The Agency's two internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the nonmajor enterprise funds and internal service funds are provided in the form of *combining statements* elsewhere in this report.

**The proprietary funds financial statements can be found on pages 32 - 35 of this report.**

**Notes to the Basic Financial Statements** provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 38 - 69 of this report.

**Other information.** The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds, and internal service funds are presented immediately following the Supplementary Information.

**Combining and individual fund statements and schedules can be found on pages 75 - 153 of this report.**

**Sacramento Housing and Redevelopment Agency  
Management's Discussion and Analysis (Continued)  
For the Year Ended December 31, 2014  
(dollar amounts expressed in thousands)**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The government-wide financial statements provide long-term information about the Agency's overall financial condition. This analysis addresses the financial statements of the Agency as a whole.

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 330,405	\$ 325,964	\$ 63,958	\$ 34,046	\$ 394,363	\$ 360,010
Capital assets	36,305	56,416	175,489	163,089	211,794	219,505
Total assets	<u>366,710</u>	<u>382,380</u>	<u>239,447</u>	<u>197,135</u>	<u>606,157</u>	<u>579,515</u>
Long-term liabilities	21,277	22,165	2,460	2,503	23,737	24,668
Other liabilities	8,834	6,475	4,951	2,071	13,785	8,546
Total liabilities	<u>30,111</u>	<u>28,640</u>	<u>7,411</u>	<u>4,574</u>	<u>37,522</u>	<u>33,214</u>
Net position:						
Net investment in capital assets	25,342	44,836	173,029	160,586	198,371	205,422
Restricted	312,809	303,784	3,336	2,436	316,145	306,220
Unrestricted	(1,552)	5,120	55,671	29,539	54,119	34,659
Total net position	<u>\$ 336,599</u>	<u>\$ 353,740</u>	<u>\$ 232,036</u>	<u>\$ 192,561</u>	<u>\$ 568,635</u>	<u>\$ 546,301</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Agency, assets exceeded liabilities by \$568,635 at the close of the most recent fiscal year. Combined net position increased by 4% from 2013.

Current and other assets of governmental activities had a net increase of \$4,441 from 2013. This is mainly due to the following:

- An increase in accounts receivable of \$13,645 due mainly to notes receivable in the City and County HOME Funds generated from the Agency's financing of affordable housing projects; an increase in Due from other governments of \$7,192 due mainly to grant revenue draw down amounts that were not received prior to year end for the City and County HOME and CDBG Funds; offset by a decrease in cash and investments of \$9,834 due mainly to loan expenditures for various projects; and a decrease in restricted cash and advances to other funds totaling \$6,302 due mainly to the reclassification of the Mortgage Revenue Bond Fund from a governmental fund to an enterprise fund.

Total liabilities increased by \$1,471 compared with 2013 mainly due to the following:

- A decrease in long-term liabilities of \$888 due to scheduled principal payments of \$1,119; compensated absences increased \$144 due to a benefit accrual increase of .64% and a reduction in paid time off by management, and pollution remediation estimates increased by \$87; offset by an increase in other liabilities of \$2,359 due mainly to the reclassification of the Mortgage Revenue Bond Fund from a governmental fund to an enterprise fund.

**Sacramento Housing and Redevelopment Agency**  
**Management's Discussion and Analysis (*Continued*)**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

Current and other assets of business-type activities had a net increase of \$29,912 from 2013 mainly due to the following:

- Cash and investments increased by \$5,863 due mainly to the reclassification of the Mortgage Revenue Bond Fund from a governmental fund to an enterprise fund; restricted cash increased by \$2,673 due mainly to the reclassification of the Mortgage Revenue Bond Fund from a governmental fund to an enterprise fund; advances to other funds increased \$3,634 due mainly to the reclassification of the Mortgage Revenue Bond Fund from a governmental fund to an enterprise fund; and notes receivable increased \$13,525 due mainly to the seller carry back loans for the sale of Sutterview and Sierra Vista.
- Other long-term assets increased by \$4,363 due to the accrual of interest on the loans to Phoenix Park I and II.

Long-term liabilities decreased \$43 due to scheduled principal payments.

Other liabilities increased \$2,880 due mainly to the reclassification of the Mortgage Revenue Bond Fund from a governmental fund to an enterprise fund.

\$198,371 of the Agency's net position reflects its investment in capital assets (e.g., land, buildings, property, and equipment); less any related debt used to acquire those assets that is still outstanding. The Agency uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although this investment in capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The amount invested in capital assets decreased by \$7,051 in the current year. A detailed explanation follows:

The net investment in capital assets for governmental activities decreased by \$19,494 due to the following:

- Transfers of construction in progress from the City Capital Fund Program (\$1,775), City Capital Fund ARRA grant (\$4,585), City Capital Fund Competitive ARRA grant (\$9,761), County Capital Fund Program (\$995), County Capital Fund ARRA grant (\$2,447), and the Local Housing Revenue fund (\$208) were transferred to buildings in the enterprise funds.
- Deletions consisted of sales of land, buildings and equipment in the NSP3 (\$243), buildings demolished in the City Housing Successor funds (\$902), and additional property transferred to the City Redevelopment Successor agency (\$460).
- Additions consisted of construction in progress in Local Housing Revenue (\$141), City Capital Fund Program (\$851), and County Capital Fund Program (\$528); equipment in City Capital Fund Program (\$94), County Capital Fund Program (\$94), and Internal Support fund (\$12).

**Sacramento Housing and Redevelopment Agency**  
**Management's Discussion and Analysis (*Continued*)**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

- Depreciation expense was (\$455) and reduction in debt related to capital assets was (\$617).

The net investment in capital assets for business-type activities increased by \$12,443 in the current year due to the following:

- \$6,685 in depreciation expense and \$6,325 in sales of capital assets. The sales were the Sutterview and Sierra Vista properties.
- These decreases were offset by a contribution of \$6,100 in buildings to the Asset Repositioning fund and \$19,771 in transfers from governmental activities.
- Construction in progress increased by \$211 due to \$6 in HCV for the tenant improvements at 630 I Street and \$205 in Locally Funded Projects that added to the value of buildings.
- Additionally, the decrease in debt related to capital assets was \$43.

Restricted net position represents amounts that must be used in accordance with external restrictions. Restricted net position in governmental activities increased by a net of \$9,025 mainly due to Public Housing Homeownership funds that increased \$4,605 due to loans receivables transferred from the COCC enterprise funds, Housing Trust funds increased \$2,218 due to additional fee revenue, City and County CalHOME increased due to additional grant funds, County Affordable Housing increased \$352 due to unspent revenues in the current year, and loan receivable balances mainly in the HOME funds increased by \$12,304. The Housing Successor fund net position decreased by \$5,890 due to project and rental subsidy expenditures that are using prior year revenues, MRB funds were reclassified to enterprise funds resulting in a decrease of \$5,247,

Unrestricted net position in governmental activities decreased by a net of \$6,672 due mainly to the reclassification of the Mortgage Revenue Bond fund from a governmental fund to an enterprise fund which decreased unrestricted net position by \$5,741 and Internal Service funds decreased \$1,035 due to annual principal repayments of \$505 and a \$530 transfer out of the Self Insurance fund to the payroll fund for workers compensation payments.

Restricted net position for business-type activities increased by a net of \$900 due mainly to HUD funding the Housing Choice Vouchers at a higher percentage with the end of sequestration in the amount of \$676 and the addition of \$261 in the Mortgage Revenue Bond fund for debt service and reserves.

Unrestricted net position in Business-type activities increased by \$26,132 due mainly to the sale of the SHARP Sutterview and Sierra Vista developments that sold buildings and improvements to Sutterview Housing Associates L.P. and Sierra Vista Housing Associates L.P., respectively, in exchange for seller carry back notes in the amounts of \$6,350 and \$6,400, respectively. These funds also hold land leases in the amount of \$383

**Sacramento Housing and Redevelopment Agency  
Management's Discussion and Analysis (Continued)  
For the Year Ended December 31, 2014  
(dollar amounts expressed in thousands)**

for Sutterview and \$392 for Sierra Vista. Mortgage Revenue Bond increased the unrestricted net position by \$11,071 due to the reclassification of the fund to an enterprise fund. HUD increased funding for Housing Choice Vouchers administration and revenues were greater than expenditures by \$1,070. The Public Housing AMPs increased by \$1,089 due to increased operating subsidy and rental revenues, and have reduced their operating costs in the current year. Phoenix Park increased by \$4,505 due mainly to accrued interest on loans to Phoenix Park I and II and an advance principal repayment. The COCC funds decreased \$5,354 mainly due to loans receivables related to the Section 32 program transferred to Public Housing Homeownership funds.

The following table indicates the changes in net position for governmental and business-type activities.

**Changes in Net Position**

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	\$ 707	\$ 1,533	\$ 9,762	\$ 7,141	\$ 10,469	\$ 8,674
Operating grants and contributions	38,479	18,258	126,064	121,129	164,543	139,387
Capital grants and contributions	5,172	8,698	5,601	4,481	10,773	13,179
General revenues:						
Investment earnings	4,387	2,634	4,735	1,072	9,122	3,706
Miscellaneous	5,612	1,304	839	751	6,451	2,055
Total revenues	<u>54,357</u>	<u>32,427</u>	<u>147,001</u>	<u>134,574</u>	<u>201,358</u>	<u>167,001</u>
Expenses:						
Housing operations	12,349	10,700	-	-	12,349	10,700
Community development	28,219	25,677	-	-	28,219	25,677
Community social services	3,745	2,946	-	-	3,745	2,946
Interest expense	859	894	-	-	859	894
Local housing	-	-	9,954	9,084	9,954	9,084
Public housing	-	-	22,655	24,133	22,655	24,133
Housing choice vouchers	-	-	108,443	110,757	108,443	110,757
Total expenses	<u>45,172</u>	<u>40,217</u>	<u>141,052</u>	<u>143,974</u>	<u>186,224</u>	<u>184,191</u>
Increase (decrease) in net position before transfers and special item	9,185	(7,790)	5,949	(9,400)	15,134	(17,190)
Transfers	(15,338)	(8,019)	15,338	8,019	-	-
Special item	-	-	7,200	1,369	7,200	1,369
Increase (decrease) in net position	(6,153)	(15,809)	28,487	(12)	22,334	(15,821)
Net position - beginning*	342,752	369,549	203,549	192,573	546,301	562,122
Net position - ending	<u>\$ 336,599</u>	<u>\$ 353,740</u>	<u>\$ 232,036</u>	<u>\$ 192,561</u>	<u>\$ 568,635</u>	<u>\$ 546,301</u>

\* The Mortgage Revenue Bond Fund was reclassified in the current year from governmental to business-type activities.

**Analysis of the changes in net position:**

Total government-wide revenues of the primary government increased \$34,357, a 21% increase from the prior year, and total expenses increased \$2,033, a 1% increase. These fluctuations are discussed in more detail below.

**Sacramento Housing and Redevelopment Agency  
Management's Discussion and Analysis (Continued)  
For the Year Ended December 31, 2014  
(dollar amounts expressed in thousands)**

**Governmental Activities**

Total revenues for governmental activities increased \$21,930, a 68% increase from the prior year, and total expenses increased \$4,955, a 12% increase, and net transfers out increased \$7,319. These fluctuations are discussed in more detail below.

**Revenue**

- Charges for services decreased by \$826 due mainly to the reclassification of the Mortgage Revenue Bond fund from a governmental fund to an enterprise fund, offset by deferred rental subsidies, debt service payment reimbursements and administrative dollars paid from the ROPS.
- Operating grants and contributions increased by a net of \$20,221 due mainly to increases in revolving loan fund balances and City Housing Successor fund revenues not received within 60 days of year end that were classified as unavailable revenues in the governmental funds. These were recognized as operating grant revenues in the government-wide statement of net position in the amount of \$12,859. The County HOME fund had revenues of \$6,681 drawn primarily for the Arbor Creek Senior Apartments and the Greenway Village Projects.
- Capital grants and contributions decreased by a net \$3,526 due primarily to City and County CFP capital outlay expenses, and the City and County Housing Successor revenues received for obligations relating to the dissolved redevelopment agency.
- Investment earnings increased by \$1,753 mainly due to loan interest repayments in the City and County HOME and County Housing Trust funds.
- Miscellaneous income increased by \$4,308 mainly due to principal loan repayments in the City and County HOME, City and County CDBG and City and County NSP 3 funds.
- The increase in governmental activities total revenue of \$21,930 was offset by an increase of \$4,955 in expenses.

**Expenses**

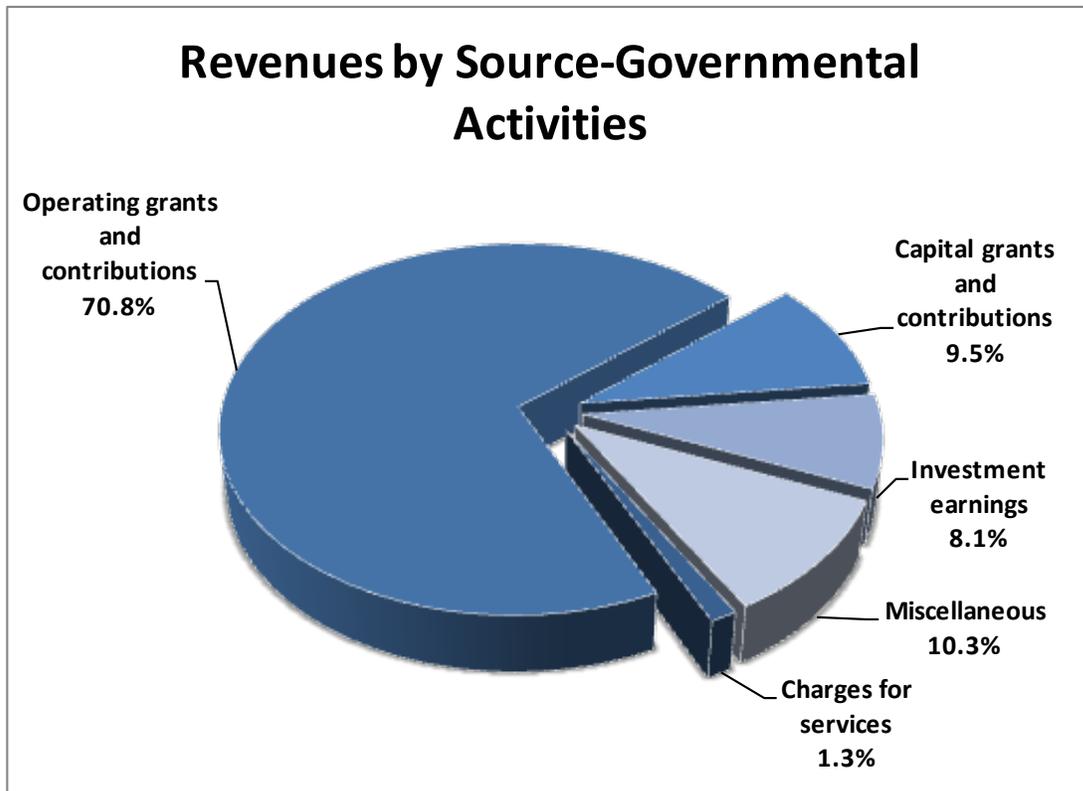
- Housing operations increased by \$1,649 mainly due to the Housing Successor funds that account for the low and moderate tax increment funds from the former redevelopment agency. Expenditures vary based on projects. These increases were offset by the reclassification of the Mortgage Revenue Bond fund that are currently reported as enterprise funds.
- Community development operations increased by a net of \$2,542 mainly due to the demolition and disposal of capital assets transferred to the City Redevelopment Agency Successor Agency (RASA) due to the elimination of redevelopment. The City and County HOME funds increased due to project expenditures for the Arbor Creek Senior Apartments and Greenway Village.

**Sacramento Housing and Redevelopment Agency  
Management's Discussion and Analysis (Continued)  
For the Year Ended December 31, 2014  
(dollar amounts expressed in thousands)**

- Community social services increased by a net of \$799 mainly due to increased sub-recipient activity in the City and County Emergency Solutions Grants (ESG) and Transitional Living and Community Support (TLCS).
- Interest expense decreased by \$35 due to a reduction in amortized interest in the internal service funds.

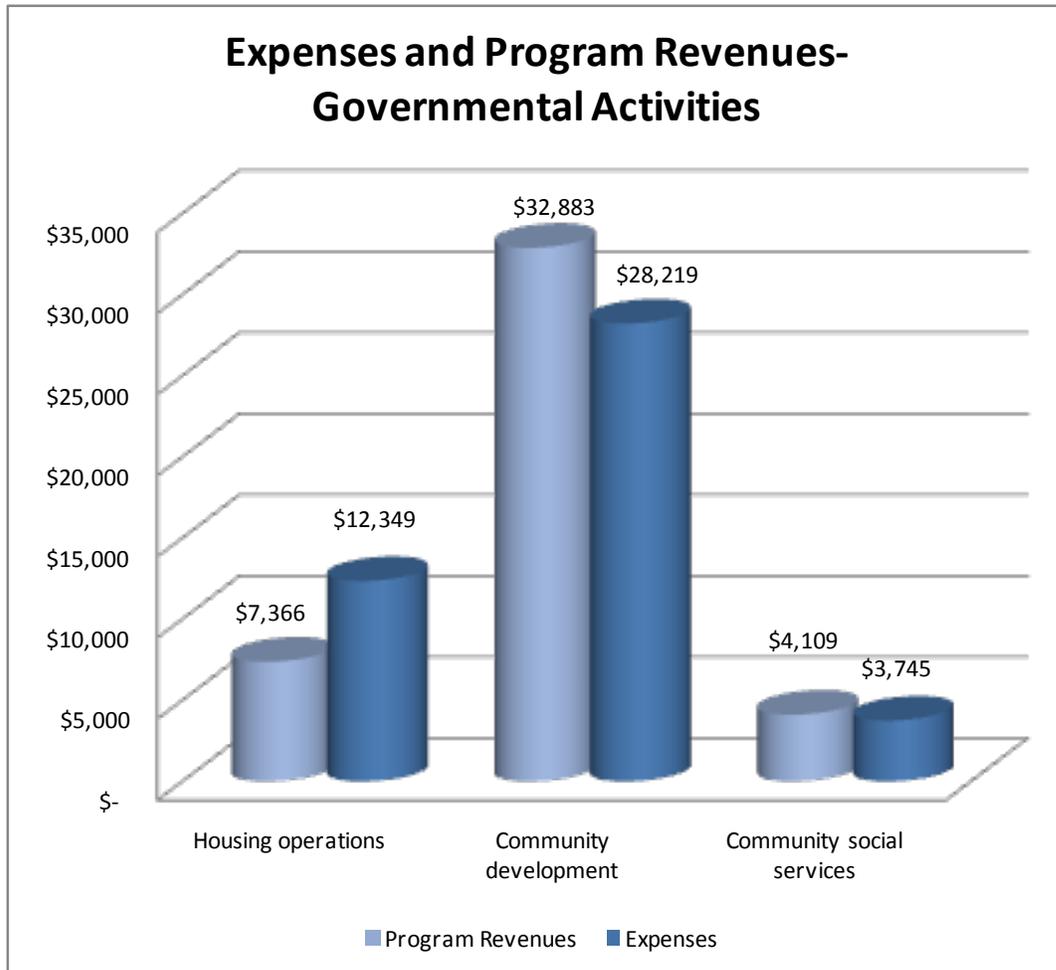
The net transfers of (\$15,338) are mainly due to transfers of construction in progress from governmental activities for costs incurred by the following funds: Transfers of construction in progress from the City Capital Fund Program (\$1,775), City Capital Fund ARRA grant (\$4,585), City Capital Fund Competitive ARRA grant (\$9,761), County Capital Fund Program (\$995), County Capital Fund ARRA grant (\$2,447), and the Local Housing Revenue fund (\$208) were transferred to buildings in the enterprise funds. Other transfers were to cover operating deficits in various funds.

The following graph shows the breakdown of revenue by source.



**Sacramento Housing and Redevelopment Agency  
Management's Discussion and Analysis (Continued)  
For the Year Ended December 31, 2014  
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The following graph show a comparison of expenses and program revenues for governmental activities and the general revenues that cover the expenses that program revenues do not.



The variance in Housing operations between revenues and expense is mainly due to the City Housing Successor fund that is using prior year revenues to cover project expenses.

The variance in Community development between revenues and expense is mainly due to unspent revolving loan revenues in the City and County CDBG NSP 3 funds.

The variance in Community Social Services between revenues and expense is mainly due to prior year revenues received in the current year in the City and County ESG special revenue funds.

**Sacramento Housing and Redevelopment Agency  
Management's Discussion and Analysis (Continued)  
For the Year Ended December 31, 2014  
(dollar amounts expressed in thousands)**

**Business-type Activities.**

Total revenues for business-type activities increased \$12,427 a 9% increase from the prior year, and total expenses decreased \$2,922, a 2% decrease, and net transfers to business-type activities increased \$7,319. These fluctuations are discussed in more detail below.

**Revenue**

- Charges for services increased by \$2,621 mainly due to the Mortgage Revenue Bond reclassification from a governmental fund to an enterprise fund. This increased charges for services by \$1,508. The Public Housing AMPs increased by \$440 due to higher lease up resulting in increased rents. City and County COCC increased \$645 mainly due to additional management fees resulting from increased lease up in the AMPs.
- Operating grants and contributions increased by \$4,935 due mainly to HUD funding the Housing Choice Vouchers program at a higher level due to the lifting of sequestration (\$3,029). Additionally, the Public housing program operating subsidy increased \$1,253. The Agency received 88% of funding eligibility in 2014 compared with 82% in 2013. Shelter Plus Care received a \$622 increase in operating grants.
- Capital grants and contributions increased by \$1,120 due to a contribution of property in the Asset Repositioning enterprise fund from the SHARP component unit fund in the amount of \$5,601. This property was subsequently sold to Sutterview Housing Associates L.P. In 2013 the Washington Plaza property was transferred to the Asset Repositioning enterprise fund in the amount of \$4,481 and subsequently sold to Washington Plaza Associates L.P.
- Investment earnings increased by \$3,663 mainly due to accrued interest on loans for the Phoenix Park development project.

**Expenses**

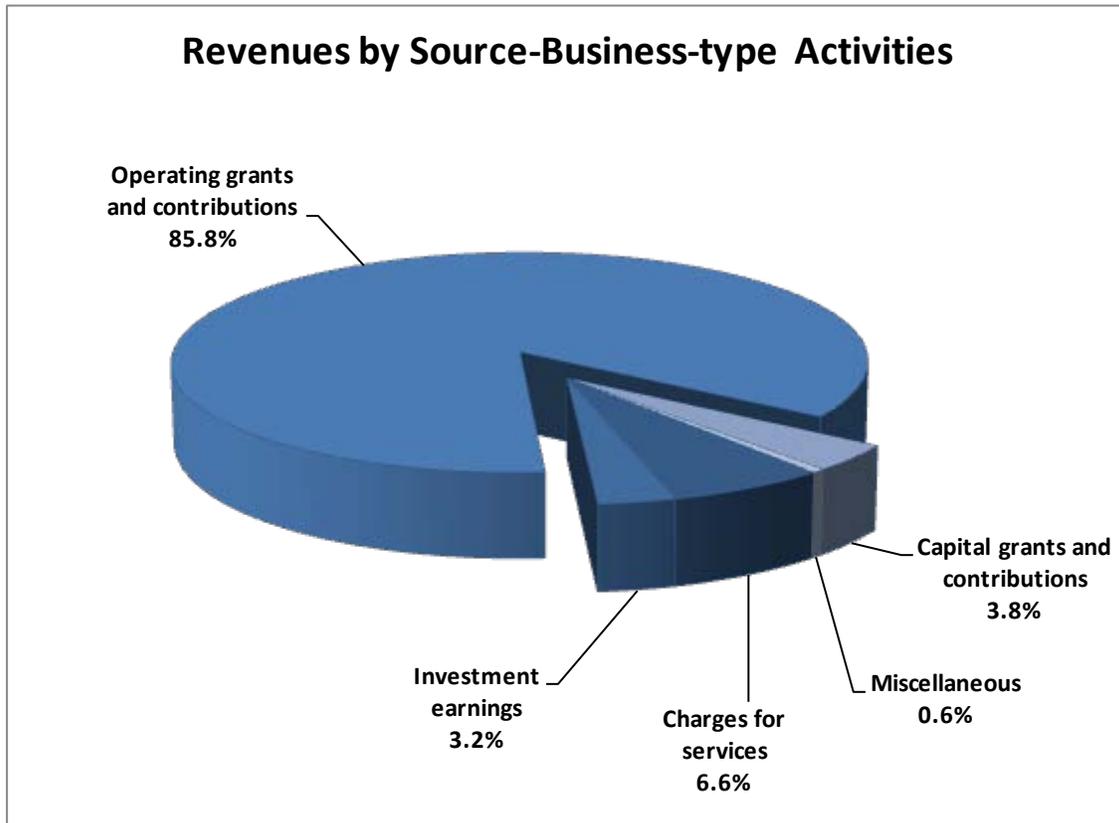
- Local housing increased by \$870 due mainly to expenses of \$1,826 in the Mortgage Revenue Bond fund that were previously reported in governmental funds and \$624 in Shelter Plus Care due to increased tenant lease up. These increases were offset by decreased expenses in Greenfair of \$637 due to the sale of the property and closure of the fund in 2013. Norcade Circle had decreased project expenses of \$537. The COCC funds had increased fee revenue from the Housing Choice Vouchers and Public Housing AMPs which decreased the fee for service eliminations in local housing revenue and expense by \$392.
- Public housing decreased by \$1,478 due mainly to a loss on disposal of property to the CDBG NSP funds in 2013 that did not occur in 2014.
- Housing choice vouchers HAP expenses decreased by \$2,314 due mainly to 923 less unit months leased in 2014 compared to 2013, tenants paying more rent resulting in

**Sacramento Housing and Redevelopment Agency  
Management's Discussion and Analysis (Continued)  
For the Year Ended December 31, 2014  
(dollar amounts expressed in thousands)**

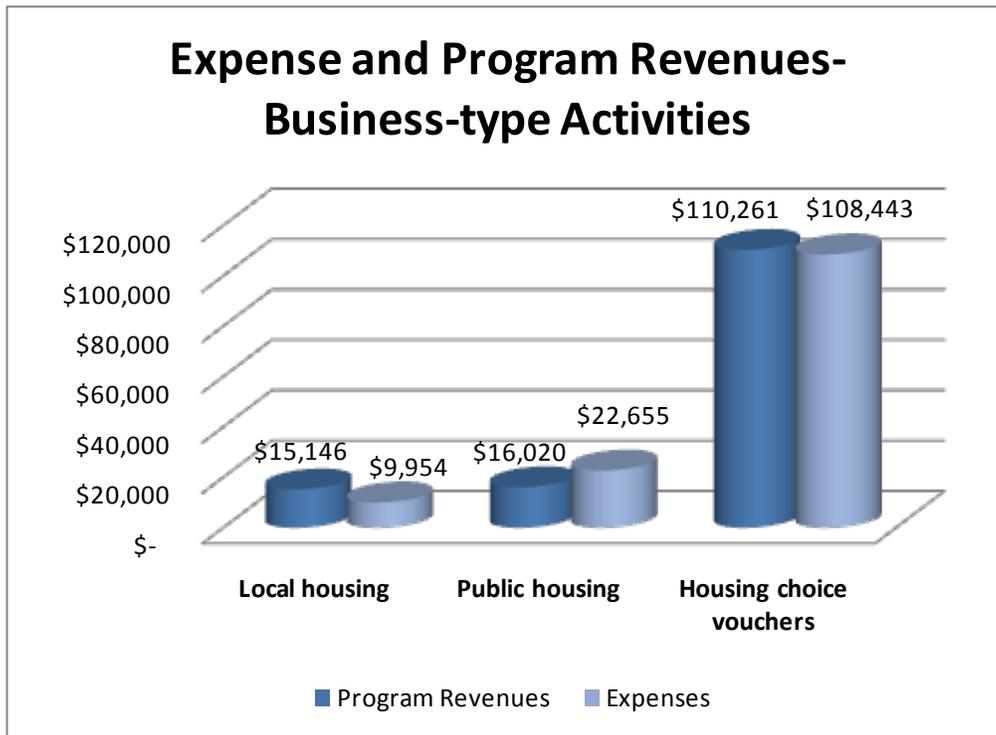
lower HAP expense, lower utility allowances and portable vouchers paid out decreased.

- The net transfers of (\$15,338) are mainly due to transfers of construction in progress from governmental activities for costs incurred by the following funds: Transfers of construction in progress from the City Capital Fund Program (\$1,775), City Capital Fund ARRA grant (\$4,585), City Capital Fund Competitive ARRA grant (\$9,761), County Capital Fund Program (\$995), and the County Capital Fund ARRA grant (\$2,447) were transferred to buildings in the Public Housing AMP enterprise funds. The Local Housing Revenue fund (\$208) transferred construction in progress to buildings in the Locally Funded Projects enterprise fund. Other transfers were to cover operating deficits in various funds.

The following graphs show the breakdown of revenues by source and a comparison of expenses and program revenues for business-type activities.



**Sacramento Housing and Redevelopment Agency  
Management's Discussion and Analysis (Continued)  
For the Year Ended December 31, 2014  
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In the second graph, the variance in the revenues and expenses in Local Housing is primarily due to a capital grant and contribution of property in the Asset Repositioning enterprise fund. The Mortgage Revenue Bond fund covered some expenses with supplemental fees charged to miscellaneous revenues.

The variance in Public Housing is primarily due to depreciation expense.

The variance in Housing Choice Vouchers is due mainly to a decrease of 923 unit months leased in 2014 compared to 2013. In addition, tenants paid more rent resulting in lower HAP expense and utility allowances and portable vouchers paid out decreased.

**FINANCIAL ANALYSIS OF THE AGENCY'S FUNDS**

As noted earlier, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The general government functions are contained in the Special Revenue, Debt Service, and Capital Projects Funds. The Agency does not have a General Fund. The focus of the Agency's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Agency's financing requirements. In particular, *assigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

**Sacramento Housing and Redevelopment Agency  
Management's Discussion and Analysis (Continued)  
For the Year Ended December 31, 2014  
(dollar amounts expressed in thousands)**

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. The governmental funds financial statements can be found on pages 28 - 31 of this report.

The Agency's governmental funds reported combined ending fund balances of \$166,075. After the reclassification of \$10,988 in the Mortgage Revenue Bond fund to an enterprise fund, there was a net increase of \$952 in comparison with the prior year. The major funds listed below are responsible for a decrease of \$7,637 in the combined fund balances and the nonmajor funds are responsible for an \$8,589 increase.

The City HOME fund has a total fund balance of \$971, which is restricted for community development. The net decrease in fund balance during the current year was \$1,702. This decrease is due to salary and benefit charges to the revolving loan fund. Staff was only charged to entitlement funds in the prior year.

The County HOME fund has a total fund balance of \$236, which is restricted for community development. The net decrease in fund balance during the current year was \$45. This decrease is due to salary and benefit charges to the revolving loan fund. Staff was only charged to entitlement funds in the prior year. The decrease was offset by interest earnings from loan repayments.

The City Housing Successor fund has a total fund balance of \$59,796, which is restricted for housing activities. The net decrease in fund balance during the current year was \$6,028. This decrease is due to the wind down of projects in response to the dissolution of redevelopment.

The County Housing Successor fund has a total fund balance of \$16,728, which is restricted for housing activities. The net increase in fund balance during the current year was \$138. This increase is due to additional administrative dollars allotted to housing successor agencies.

**Proprietary funds.** The Agency's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail (See Business-type Activities section on page 15).

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** The Agency's net investment in capital assets for its governmental and business-type activities as of December 31, 2014, amounted to \$211,794 (net of accumulated depreciation). This investment in capital assets includes land, building and improvements, property and equipment, and construction in progress.

**Sacramento Housing and Redevelopment Agency  
Management's Discussion and Analysis (Continued)  
For the Year Ended December 31, 2014  
(dollar amounts expressed in thousands)**

Capital assets for the governmental and business-type activities are presented below.

	<b>Capital Assets</b> (net of depreciation)						Increase/ (Decrease) Percent of Change
	Governmental Activities		Business-type Activities		Total		
	2014	2013	2014	2013	2014	2013	
Land	\$ 18,716	\$ 18,979	\$ 16,202	\$ 16,202	\$ 34,918	\$ 35,181	-0.75%
Building and improvements	10,874	12,581	158,997	144,982	169,871	157,563	7.81%
Property and equipment	201	204	290	255	491	459	6.97%
Construction in progress	6,514	24,652	-	1,650	6,514	26,302	-75.23%
<b>Total</b>	<u>\$ 36,305</u>	<u>\$ 56,416</u>	<u>\$ 175,489</u>	<u>\$ 163,089</u>	<u>\$ 211,794</u>	<u>\$ 219,505</u>	<u>-3.51%</u>

The governmental activities decreased by \$20,111. The decrease in land and building and improvements in the governmental activities is due mainly to additional properties transferred to the City Redevelopment Successor Agencies due to the dissolution of redevelopment and sales of single family homes under the NSP 3 property recycling program. The decrease in property and equipment is due to accumulated depreciation and transfers of equipment from the Capital Fund Program to the City COCC enterprise fund. These were offset by new vehicle purchases in the Capital Fund Program. Construction in progress decreased in the City and County Capital Fund Program, the City and County Capital Fund ARRA grants, the City Capital Fund Competitive ARRA grant and the Local Housing Revenue fund and was transferred to buildings in the business-type activities.

The business-type activities increased by \$12,400. The increase in buildings and improvements was due to transfers of construction in-progress from governmental activities. The increase in equipment is due to transfers of vehicles from the City and County Capital Fund Program and the City COCC fund. These increases are offset by depreciation expense. The decrease in construction in progress is primarily due to the completion of the Norcade Circle, Las Victorianas and Meadowview Projects.

**Long-term Debt.** At the end of December 31, 2014, the Agency had long-term debt outstanding of \$21,151. This is a net decrease of \$1,075 from the prior year total of \$22,226.

**Outstanding Debt**

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Notes payable	\$ 17,260	\$ 18,379	\$ 2,460	\$ 2,503	\$ 19,720	\$ 20,882
Pollution remediation	1,431	1,344	-	-	1,431	1,344
<b>Total</b>	<u>\$ 18,691</u>	<u>\$ 19,723</u>	<u>\$ 2,460</u>	<u>\$ 2,503</u>	<u>\$ 21,151</u>	<u>\$ 22,226</u>

**Sacramento Housing and Redevelopment Agency  
Management's Discussion and Analysis (Continued)  
For the Year Ended December 31, 2014  
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Governmental activities notes payable decreased by \$1,119 due to scheduled principal payments which reduced the year-end balances. There were no notes issued in 2014.

Pollution remediation obligations increased by \$87 due to an increase in estimated costs.

Business-type activities notes payable decreased \$43 due to scheduled principal payments which reduced the year-end balances. There were no notes issued in 2014.

Additional information about the Agency's capital assets and total long-term debt is presented in Note III.C. and Note III.F., respectively, to the financial statements on pages 51 - 52 and 57 - 62 of this report.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Agency has both housing authority and Housing Successor Agency functions. As such, its revenues and expenditures are dependent on external factors such as the availability of federal funding.

### **BUDGET SUMMARY**

The 2015 Proposed Budget recommends total expenses of \$184.1 million, with the Housing Assistance Payments Budget at \$108.1 million; the Operating Budget at \$36.2 million; the Capital Project Budget at \$30.8 million; the Public Services Budget at \$5.2 million; and, the Debt Service and Financial Transaction Budget at \$3.7 million.

The 2015 Proposed Budget of \$184.1 million represents a \$16.4 million or 9.8% increase compared with the total 2014 Adopted Budget. This positive change in annual budget appropriations is primarily the result of projected restoration of federal funding for housing assistance payments under the Housing Choice Voucher program (HCV), an increase in funding available for multi-family development and homeownership activities due to unscheduled loan repayments received in late 2014 and the award of \$3.0 million in State CalHOME funds.

Some of the guiding principles used to develop the Agency's budget include:

- Protecting "core services" to the greatest extent possible, with delivery of housing programs, public services and capital projects being a major priority;
- Managing program activities by focusing on the efficiency of program delivery and the maximization of results;
- Consideration of the overall financial health of the organization, not just the cash flow from year to year;
- Fostering partnerships with community based organizations and private entities whenever possible; and
- Developing budget plans that employ strategies to address the long-term needs of the communities we serve.

**Sacramento Housing and Redevelopment Agency  
Management's Discussion and Analysis (*Continued*)  
For the Year Ended December 31, 2014  
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In 2013, the Agency was presented with the challenge of sequestration – the across the board cuts for federal programs including those managed by the Agency. For SHRA, the 2013 sequestration cuts represented a \$6 million funding reduction for key programs like CDBG, HOME, Housing Choice Voucher (HCV) and Public Housing compared with the prior year. During that time, we strategically reduced staffing levels, implemented reduced work schedules, cut services and supplies, and ceased leasing vouchers from the housing choice voucher program.

As we adopted the 2014 budget, the future did not look much brighter as we faced a sixteen day federal government shut down. However, in January 2014 Congress was able to reach agreement on a two year budget deal. Funding for our major federal programs improved from the sequestration levels of 2013; while not enough to match what we are eligible to receive to fully run the programs, after several years of continuous cuts, it was enough to move us out of crisis mode.

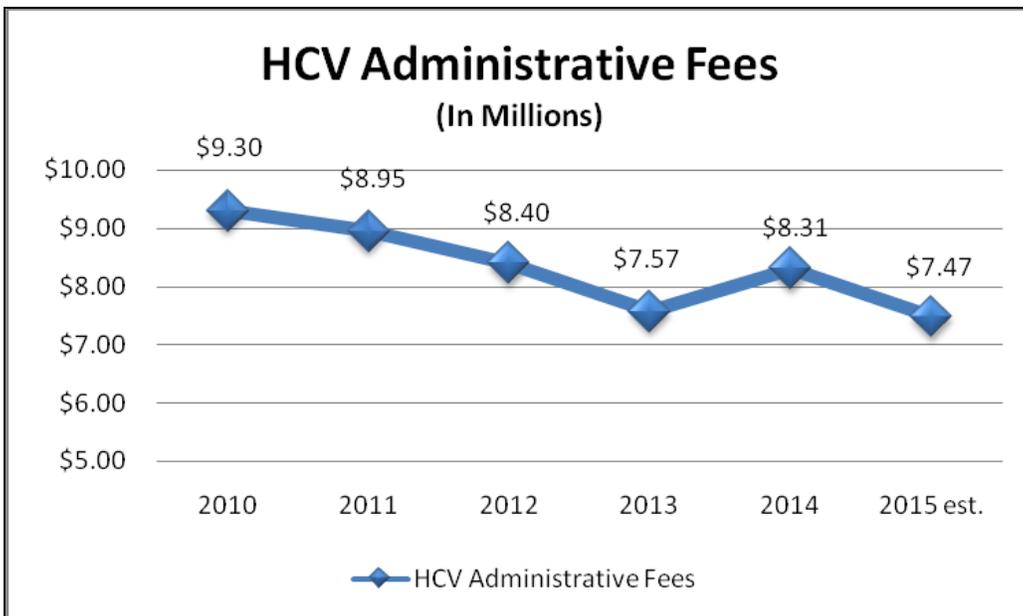
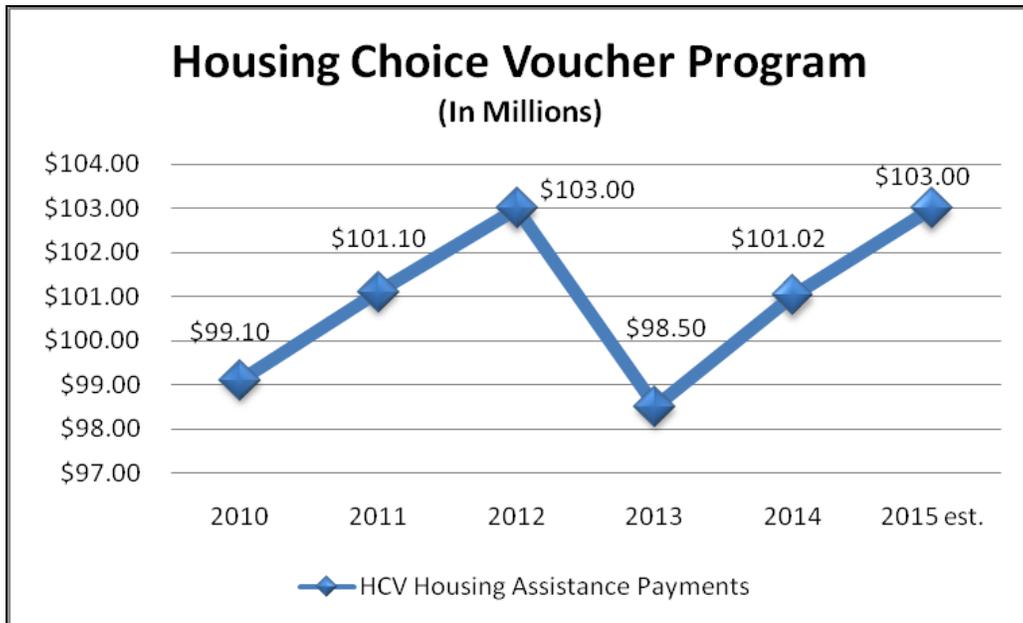
Whereas the 2014 budget was focused on stabilizing the Agency's programs and minimizing the impact to the residents we serve, 2015 is focused on moving forward:

- We will maximize leasing of vouchers in the housing choice voucher program now that funding appears to have been restored to previous levels.
- We will continue to pursue new funding opportunities to decrease reliance on traditional funding sources for the creation and preservation of affordable housing. Specifically, we are seeking award of a Choice Neighborhood Initiative (CNI) implementation grant for the Twin Rivers public housing development and actively pursuing opportunities for State funding through the Affordable Housing and Sustainable Communities Program.
- We will be entering into labor negotiations with the various bargaining units within the Agency.
- We will continue to focus on the rehabilitation and repositioning of former Public Housing properties. This includes the tax credit syndication and substantial rehabilitation of two high-rise buildings, one in the neighborhood of Alkali Flat and one in Midtown.

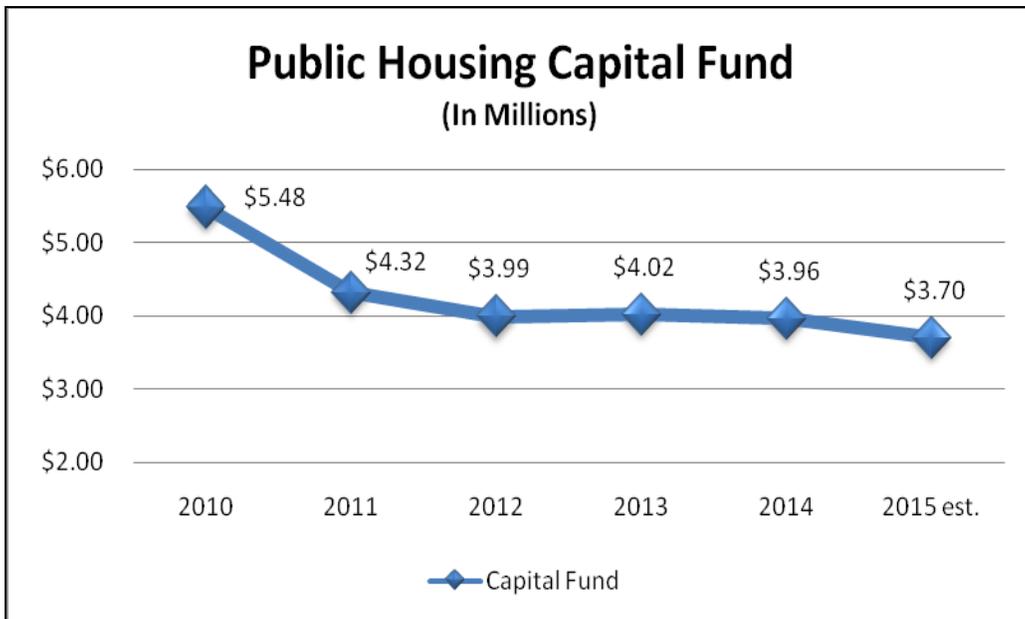
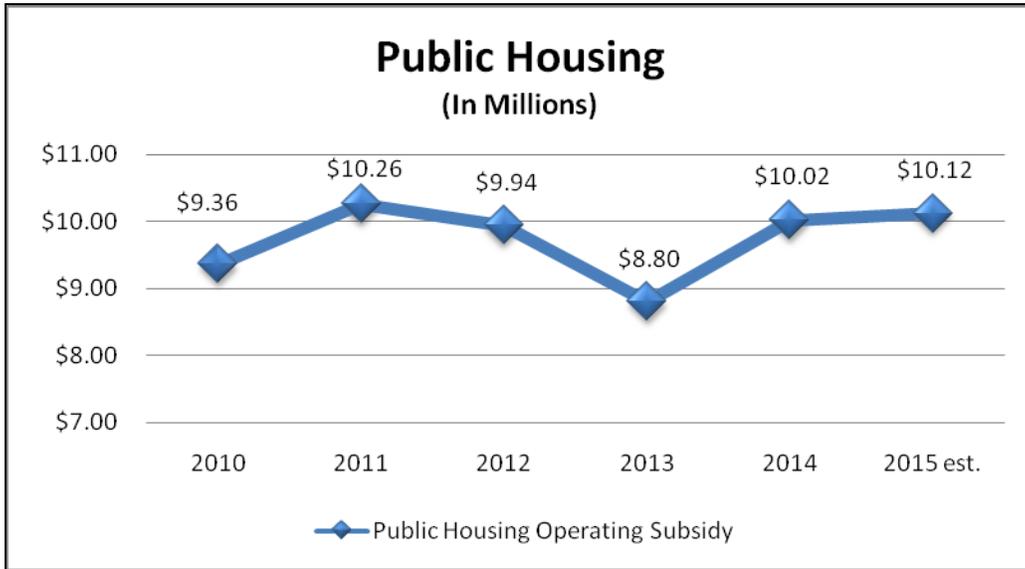
### **Federal Funding Trends**

Beginning in 2011, Congress systematically began reducing federal spending for domestic programs and, in 2013, implemented the cuts required by the Sequestration Transparency Act of 2012. The vast majority of the spending cuts imposed by sequestration directly impacted the federal discretionary programs we administer on behalf of the City and County of Sacramento. The following charts provide a visual representation of the trends of the major federal funding administered by the Agency over the past several years.

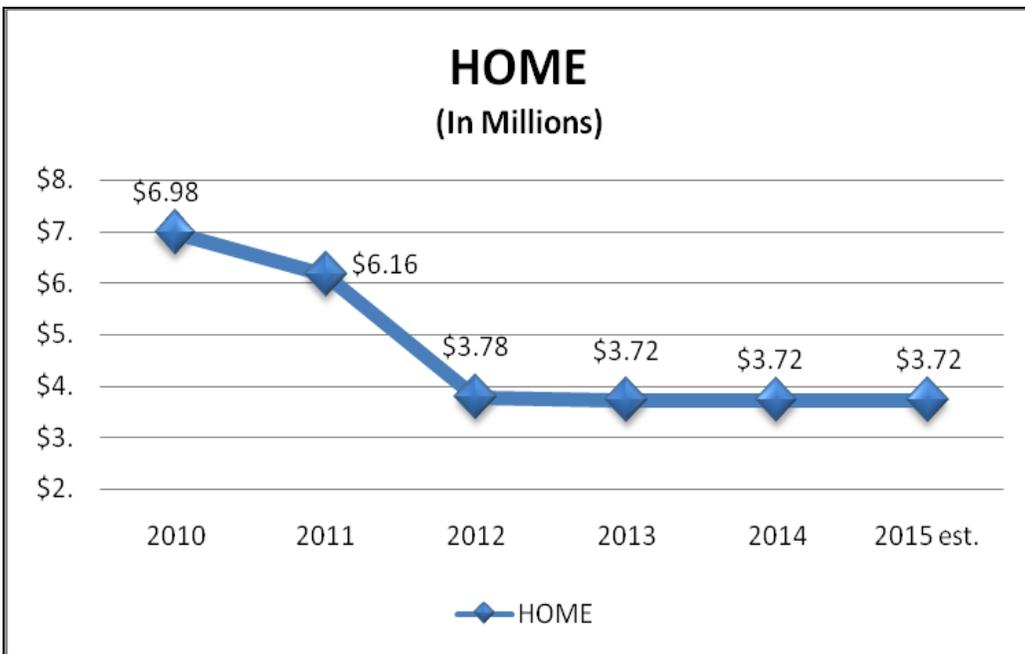
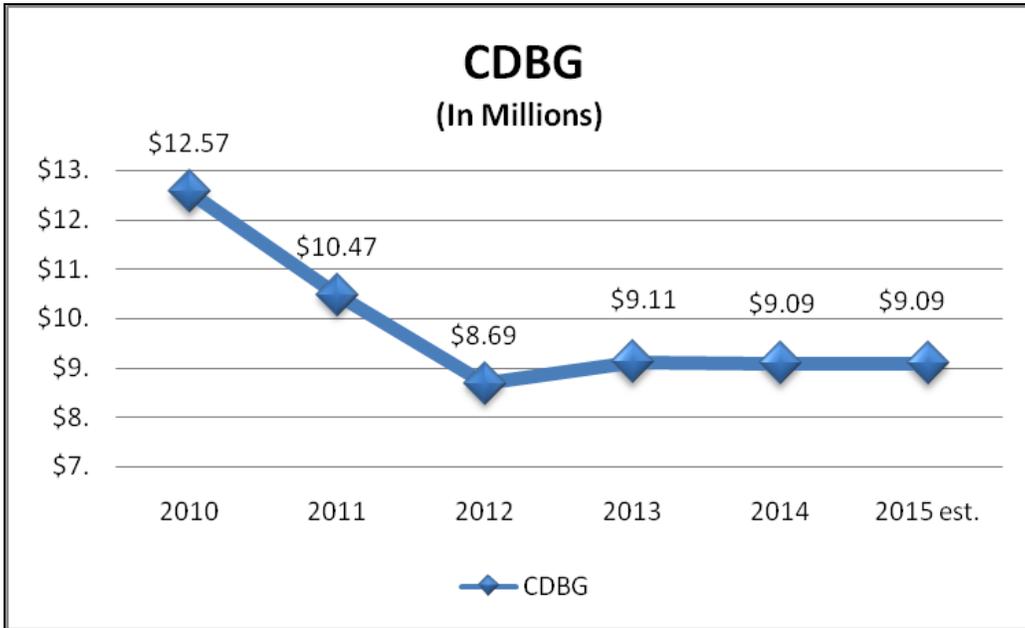
**Sacramento Housing and Redevelopment Agency  
Management's Discussion and Analysis (Continued)  
For the Year Ended December 31, 2014  
(dollar amounts expressed in thousands)**



**Sacramento Housing and Redevelopment Agency  
 Management's Discussion and Analysis (Continued)  
 For the Year Ended December 31, 2014  
 (dollar amounts expressed in thousands)**



**Sacramento Housing and Redevelopment Agency  
 Management's Discussion and Analysis (Continued)  
 For the Year Ended December 31, 2014  
 (dollar amounts expressed in thousands)**



**Sacramento Housing and Redevelopment Agency  
Management's Discussion and Analysis (Continued)  
For the Year Ended December 31, 2014  
(dollar amounts expressed in thousands)**

While things appear to have stabilized, the reductions in federal support for community development, affordable housing, and public services continue to impact the needs of our community. The recent opening of the HCV waitlist resulted in over 46,000 applications in a two week period. This just underscores the continued need for affordable housing opportunities in the Sacramento region.

After several years of uncertainty, the Agency has reached a period of recovery. We are optimistic that we will continue to bring forward award-winning projects and to invest in community revitalization activities through effective partnerships that improve Sacramento's quality of life.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Agency's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Director of Finance, Sacramento Housing and Redevelopment Agency, 801 12<sup>th</sup> Street, Sacramento, California, 95814.

*Basic  
Financial  
Statements*

**Sacramento Housing and Redevelopment Agency**  
**Statement of Net Position**  
**December 31, 2014**  
(amounts expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
Cash and investments	\$ 51,905	\$ 20,736	\$ 72,641	\$ 4,493
Receivables (net)	14,428	942	15,370	19
Internal balances	693	(693)	-	-
Prepaid items	549	5	554	28
Restricted cash and investments	710	6,931	7,641	269
Other long-term assets	-	4,363	4,363	1,710
Notes receivable (net)	255,123	29,088	284,211	780
Advances to component units	-	2,586	2,586	-
Advances to primary government	-	-	-	1,000
OPEB asset	6,997	-	6,997	-
Capital assets:				
Land and construction in progress	25,230	16,202	41,432	2,552
Depreciable buildings and improvements, and property and equipment, net	11,075	159,287	170,362	10,519
Total assets	<u>366,710</u>	<u>239,447</u>	<u>606,157</u>	<u>21,370</u>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	6,964	1,935	8,899	163
Interest payable	142	-	142	-
Unearned revenue	570	161	731	21
Deposit and trust liability	158	2,855	3,013	71
Advances from component units	1,000	-	1,000	-
Advances from primary government	-	-	-	2,586
Long-term liabilities:				
Due within one year	3,516	47	3,563	-
Due in more than one year	17,761	2,413	20,174	4,925
Total liabilities	<u>30,111</u>	<u>7,411</u>	<u>37,522</u>	<u>7,766</u>
<b>NET POSITION</b>				
Net investment in capital assets	25,342	173,029	198,371	10,138
Restricted for:				
Debt service	645	1,157	1,802	-
Housing	149,420	219	149,639	202
Housing choice vouchers	-	1,960	1,960	-
Community development	155,620	-	155,620	-
Community services	127	-	127	-
Other postemployment benefits	6,997	-	6,997	-
Unrestricted	(1,552)	55,671	54,119	3,264
Total net position	<u>\$ 336,599</u>	<u>\$ 232,036</u>	<u>\$ 568,635</u>	<u>\$ 13,604</u>

The notes to the basic financial statements are an integral part of this statement.

**Sacramento Housing and Redevelopment Agency**  
**Statement of Activities**  
**For the Year Ended December 31, 2014**  
(amounts expressed in thousands)

Functions/Programs	Program Revenues				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue
Primary government:					
Governmental activities:					
Housing operations	\$ 12,349	\$ 698	\$ 1,496	\$ 5,172	\$ (4,983)
Community development	28,219	9	32,874	-	4,664
Community social services	3,745	-	4,109	-	364
Interest expense	859	-	-	-	(859)
Total governmental activities	<u>45,172</u>	<u>707</u>	<u>38,479</u>	<u>5,172</u>	<u>(814)</u>
Business-type activities:					
Local housing	9,954	3,715	5,830	5,601	5,192
Public housing	22,655	6,000	10,020	-	(6,635)
Housing choice vouchers	108,443	47	110,214	-	1,818
Total business-type activities	<u>141,052</u>	<u>9,762</u>	<u>126,064</u>	<u>5,601</u>	<u>375</u>
Total primary government	<u>\$ 186,224</u>	<u>\$ 10,469</u>	<u>\$ 164,543</u>	<u>\$ 10,773</u>	<u>\$ (439)</u>
Component units:					
Local housing	<u>\$ 8,341</u>	<u>\$ 1,390</u>	<u>\$ 1,207</u>	<u>\$ -</u>	<u>\$ (5,744)</u>

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Net revenue (expense)	\$ (814)	\$ 375	\$ (439)	\$ (5,744)
General revenues:				
Investment earnings	4,387	4,735	9,122	30
Miscellaneous	5,612	839	6,451	801
Special item	-	7,200	7,200	-
Transfers, net	(15,338)	15,338	-	-
Total general revenues, special item, and transfers	<u>(5,339)</u>	<u>28,112</u>	<u>22,773</u>	<u>831</u>
Change in net position	(6,153)	28,487	22,334	(4,913)
Net position - beginning, as restated	342,752	203,549	546,301	18,517
Net position - ending	<u>\$ 336,599</u>	<u>\$ 232,036</u>	<u>\$ 568,635</u>	<u>\$ 13,604</u>

The notes to the basic financial statements are an integral part of this statement.

**Sacramento Housing and Redevelopment Agency**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

	City HOME	County HOME	City Housing Successor	County Housing Successor	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and investments	\$ 889	\$ 40	\$ 13,385	\$ 849	\$ 24,552	\$ 39,715
Accounts receivable	46	6	18	-	141	211
Due from other funds	-	-	1,153	-	679	1,832
Due from other governments	191	4,412	2,398	-	7,216	14,217
Notes receivable (net)	43,766	57,561	45,150	15,890	92,565	254,932
Advances to other funds	-	-	170	-	3,851	4,021
Restricted cash and investments	-	-	33	-	128	161
Total assets	<u>\$ 44,892</u>	<u>\$ 62,019</u>	<u>\$ 62,307</u>	<u>\$ 16,739</u>	<u>\$ 129,132</u>	<u>\$ 315,089</u>
<b>Liabilities</b>						
Accounts payable	\$ 148	\$ 4,216	\$ 76	\$ 8	\$ 1,531	\$ 5,979
Accrued liabilities	7	6	4	3	41	61
Contracts payable	-	-	-	-	23	23
Due to other funds	-	-	-	-	1,841	1,841
Due to other governments	-	-	-	-	157	157
Unearned revenue	-	-	-	-	570	570
Deposit and trust liability	-	-	33	-	125	158
Advances from other funds	-	-	-	-	3,319	3,319
Total liabilities	<u>155</u>	<u>4,222</u>	<u>113</u>	<u>11</u>	<u>7,607</u>	<u>12,108</u>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue	<u>43,766</u>	<u>57,561</u>	<u>2,398</u>	<u>-</u>	<u>33,181</u>	<u>136,906</u>
<b>Fund Balances (Deficits)</b>						
Restricted for:						
Debt service	-	-	-	-	96	96
Housing	-	-	59,796	16,728	72,896	149,420
Community development	971	236	-	-	17,507	18,714
Community services	-	-	-	-	127	127
Assigned for:						
Community development	-	-	-	-	177	177
Unassigned	-	-	-	-	(2,459)	(2,459)
Total fund balances	<u>971</u>	<u>236</u>	<u>59,796</u>	<u>16,728</u>	<u>88,344</u>	<u>166,075</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 44,892</u>	<u>\$ 62,019</u>	<u>\$ 62,307</u>	<u>\$ 16,739</u>	<u>\$ 129,132</u>	<u>\$ 315,089</u>

The notes to the basic financial statements are an integral part of this statement.

**Sacramento Housing and Redevelopment Agency**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Position**  
**December 31, 2014**  
**(amounts expressed in thousands)**

Total fund balances of governmental funds (page 28)		\$ 166,075
Amounts reported for governmental activities in the statement of net position are different because:		
Long-term assets that are not available to pay for current period expenditures and, therefore, are considered deferred inflows of resources in governmental funds.		136,906
OPEB assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		6,997
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental capital assets	\$ 24,790	
Less: accumulated depreciation	<u>(346)</u>	24,444
Internal service funds are used by management to charge the costs of administration to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		10,876
Certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Interest payable		(142)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Notes payable	(17,260)	
Pollution remediation payable	(1,431)	
Less internal service fund notes payable	<u>10,134</u>	<u>(8,557)</u>
Net position of governmental activities (page 26)		<u>\$ 336,599</u>

The notes to the basic financial statements are an integral part of this statement.

**Sacramento Housing and Redevelopment Agency**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>City HOME</u>	<u>County HOME</u>	<u>City Housing Successor</u>	<u>County Housing Successor</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>						
Intergovernmental	\$ 1,200	\$ 8,800	\$ 1,862	\$ 115	\$ 18,815	\$ 30,792
Charges for services	-	1	-	698	8	707
Investment earnings	719	1,133	361	7	2,017	4,237
Miscellaneous	1,216	526	-	9	3,782	5,533
Total revenues	<u>3,135</u>	<u>10,460</u>	<u>2,223</u>	<u>829</u>	<u>24,622</u>	<u>41,269</u>
<b>Expenditures:</b>						
Current:						
Housing operations	-	-	7,793	576	2,991	11,360
Community development	4,837	10,505	-	-	10,740	26,082
Community social services	-	-	-	-	3,745	3,745
Capital outlay	-	-	-	-	1,708	1,708
Debt service:						
Principal retirement	-	-	222	-	392	614
Interest	-	-	236	-	93	329
Total expenditures	<u>4,837</u>	<u>10,505</u>	<u>8,251</u>	<u>576</u>	<u>19,669</u>	<u>43,838</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,702)</u>	<u>(45)</u>	<u>(6,028)</u>	<u>253</u>	<u>4,953</u>	<u>(2,569)</u>
<b>Other financing sources (uses):</b>						
Proceeds from sale of capital assets	-	-	-	-	206	206
Transfers in	-	-	-	-	6,061	6,061
Transfers out	-	-	-	(115)	(2,631)	(2,746)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(115)</u>	<u>3,636</u>	<u>3,521</u>
Net change in fund balances	(1,702)	(45)	(6,028)	138	8,589	952
Fund balances, beginning	2,673	281	65,824	16,590	79,755	165,123
Fund balances, ending	<u>\$ 971</u>	<u>\$ 236</u>	<u>\$ 59,796</u>	<u>\$ 16,728</u>	<u>\$ 88,344</u>	<u>\$ 166,075</u>

The notes to the basic financial statements are an integral part of this statement.

**Sacramento Housing and Redevelopment Agency  
Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended December 31, 2014  
(amounts expressed in thousands)**

Net change in fund balances - total governmental funds (page 30)	\$	952
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period:		
Capital outlay	\$ 1,708	
Depreciation expense	<u>(77)</u>	1,631
In the statement of activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds received from the sale of capital assets increase financial resources. Thus, the change in net position differs from the change in fund balances by the book value of the capital assets disposed of or sold.		(1,605)
Capital assets transferred from governmental activities to business-type activities are reported as transfers in the statement of activities. The transfers are not reported in the governmental funds because there has been no use of current financial resources.		(19,771)
The repayment of the principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position: Principal repayments on long-term debt - notes payable		614
The Agency has recorded an obligation and corresponding expense for pollution remediation activities which does not require the use of current financial resources, and therefore, is not reported as an expenditure in governmental funds.		(87)
A reduction in interest expense reported in the statement of activities does not provide or use current financial resources, and therefore, is not reported as a reduction in expenditures in governmental funds.		9
OPEB contributions made in excess of the annual required contribution are reported as expenditures in the governmental funds, however, in the statement of activities the excess contributions does not have any effect on net position, rather the OPEB asset increases.		140
Unavailable revenues not available to liquidate liabilities of the current period in governmental funds, but were recognized as revenue in the statement of activities.		12,859
Internal service funds are used by management to charge the costs of certain activities, such as administration to individual funds. The net expense of the internal service funds is reported with the governmental activities.		(895)
Change in net position of governmental activities (page 27)	<u>\$</u>	<u>(6,153)</u>

The notes to the basic financial statements are an integral part of this statement.

**Sacramento Housing and Redevelopment Agency**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2014**  
(amounts expressed in thousands)

	<b>Business-type Activities-Enterprise Funds</b>					<b>Governmental Activities- Internal Service Funds</b>
	<b>County Housing Choice Vouchers</b>	<b>County AMP 5</b>	<b>City AMP 3</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	
<b>Assets</b>						
<b>Current assets:</b>						
Cash and investments	\$ 3,455	\$ 231	\$ 2,048	\$ 15,002	\$ 20,736	\$ 12,190
Restricted cash and investments	111	98	89	4,262	4,560	-
Accounts receivable (net)	26	13	5	367	411	-
Due from other funds	-	-	-	496	496	-
Due from other governments	113	-	-	418	531	-
Prepaid items	-	-	-	5	5	549
Total current assets	<u>3,705</u>	<u>342</u>	<u>2,142</u>	<u>20,550</u>	<u>26,739</u>	<u>12,739</u>
<b>Noncurrent assets:</b>						
Restricted cash and investments	1,952	-	-	419	2,371	549
Other long-term assets	-	-	-	4,363	4,363	-
Notes receivable	-	-	-	29,088	29,088	191
Advances to other funds	-	-	-	3,634	3,634	-
Advances to component units	-	-	-	2,586	2,586	-
Total noncurrent assets	<u>1,952</u>	<u>-</u>	<u>-</u>	<u>40,090</u>	<u>42,042</u>	<u>740</u>
<b>Capital assets:</b>						
Land	-	1,758	1,146	13,298	16,202	2,040
Buildings and improvements	-	54,567	37,829	173,466	265,862	11,510
Property and equipment	48	85	199	956	1,288	651
Less accumulated depreciation	(48)	(28,208)	(12,922)	(66,685)	(107,863)	(2,340)
Total capital assets (net of accumulated depreciation)	<u>-</u>	<u>28,202</u>	<u>26,252</u>	<u>121,035</u>	<u>175,489</u>	<u>11,861</u>
Total noncurrent assets	<u>1,952</u>	<u>28,202</u>	<u>26,252</u>	<u>161,125</u>	<u>217,531</u>	<u>12,601</u>
Total assets	<u>5,657</u>	<u>28,544</u>	<u>28,394</u>	<u>181,675</u>	<u>244,270</u>	<u>25,340</u>
<b>Liabilities</b>						
<b>Current liabilities:</b>						
Accounts payable	61	83	54	591	789	143
Accrued liabilities	109	23	21	240	393	601
Due to other funds	-	-	-	487	487	-
Compensated absences	-	-	-	-	-	1,637
Due to other governments	5	-	-	748	753	-
Unearned revenue	33	9	14	105	161	-
Current portion of long-term debt	-	-	-	47	47	533
Current liabilities payable from restricted assets: Deposit and trust liability	111	98	89	2,557	2,855	-
Total current liabilities	<u>319</u>	<u>213</u>	<u>178</u>	<u>4,775</u>	<u>5,485</u>	<u>2,914</u>
<b>Noncurrent liabilities:</b>						
Compensated absences	-	-	-	-	-	949
Mortgage notes payable	-	-	-	2,413	2,413	9,601
Advances from other funds	1,600	-	-	2,736	4,336	-
Advances from component unit	-	-	-	-	-	1,000
Total noncurrent liabilities	<u>1,600</u>	<u>-</u>	<u>-</u>	<u>5,149</u>	<u>6,749</u>	<u>11,550</u>
Total liabilities	<u>1,919</u>	<u>213</u>	<u>178</u>	<u>9,924</u>	<u>12,234</u>	<u>14,464</u>
<b>Net Position</b>						
Net investment in capital assets	-	28,202	26,252	118,575	173,029	1,727
Restricted for debt service	-	-	-	1,157	1,157	549
Restricted for housing operations	-	-	-	219	219	-
Restricted for housing choice vouchers	1,960	-	-	-	1,960	-
Unrestricted	1,778	129	1,964	51,800	55,671	8,600
Total net position	<u>\$ 3,738</u>	<u>\$ 28,331</u>	<u>\$ 28,216</u>	<u>\$ 171,751</u>	<u>\$ 232,036</u>	<u>\$ 10,876</u>

The notes to the basic financial statements are an integral part of this statement.

**Sacramento Housing and Redevelopment Agency**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2014**  
(amounts expressed in thousands)

	<b>Business-type Activities-Enterprise Funds</b>					<b>Governmental Activities- Internal Service Funds</b>	
	<b>County Housing Choice Vouchers</b>	<b>County AMP 5</b>	<b>City AMP 3</b>	<b>Other Enterprise Funds</b>	<b>Eliminations</b>		<b>Total</b>
Operating revenues:							
Charges for services	\$ 47	\$ 483	\$ 1,040	\$ 13,540	\$ (5,348)	\$ 9,762	\$ 6,266
Miscellaneous	-	17	29	793	-	839	79
Total operating revenues	<u>47</u>	<u>500</u>	<u>1,069</u>	<u>14,333</u>	<u>(5,348)</u>	<u>10,601</u>	<u>6,345</u>
Operating expenses:							
Employee services	3,326	393	462	6,582	-	10,763	5,575
Administrative services	1,661	217	296	6,064	(5,348)	2,890	-
Services and supplies	2,325	528	650	7,880	-	11,383	1,894
Utilities	-	285	328	2,417	-	3,030	122
Claims and judgments	-	-	-	3	-	3	-
Depreciation	-	1,368	955	4,362	-	6,685	378
Housing assistance payments	100,817	21	-	4,935	-	105,773	-
Total operating expenses	<u>108,129</u>	<u>2,812</u>	<u>2,691</u>	<u>32,243</u>	<u>(5,348)</u>	<u>140,527</u>	<u>7,969</u>
Operating loss	<u>(108,082)</u>	<u>(2,312)</u>	<u>(1,622)</u>	<u>(17,910)</u>	<u>-</u>	<u>(129,926)</u>	<u>(1,624)</u>
Nonoperating revenues (expenses):							
Intergovernmental	110,214	920	1,098	13,832	-	126,064	-
Investment earnings	53	2	16	4,664	-	4,735	150
Interest expense	(314)	-	-	(36)	-	(350)	(539)
Loss on disposal of capital assets	-	-	(175)	-	-	(175)	-
Total nonoperating revenues (expenses)	<u>109,953</u>	<u>922</u>	<u>939</u>	<u>18,460</u>	<u>-</u>	<u>130,274</u>	<u>(389)</u>
Income (loss) before capital contributions, special item and transfers	1,871	(1,390)	(683)	550	-	348	(2,013)
Capital contributions	-	1,076	10,247	14,049	-	25,372	-
Transfers in	28	58	303	1,914	-	2,303	1,648
Transfers out	(6)	-	(989)	(5,741)	-	(6,736)	(530)
Change in net position before special item	<u>1,893</u>	<u>(256)</u>	<u>8,878</u>	<u>10,772</u>	<u>-</u>	<u>21,287</u>	<u>(895)</u>
Special Item:							
Special item-SHARP sale transaction	-	-	-	7,200	-	7,200	-
Change in net position	<u>1,893</u>	<u>(256)</u>	<u>8,878</u>	<u>17,972</u>	<u>-</u>	<u>28,487</u>	<u>(895)</u>
Net position, beginning	1,845	28,587	19,338	153,779	-	203,549	11,771
Net position, ending	<u>\$ 3,738</u>	<u>\$ 28,331</u>	<u>\$ 28,216</u>	<u>\$ 171,751</u>	<u>\$ -</u>	<u>\$ 232,036</u>	<u>\$ 10,876</u>

The notes to the basic financial statements are an integral part of this statement.

**Sacramento Housing and Redevelopment Agency**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Business-type Activities-Enterprise Funds</u>				<u>Total</u>	<u>Governmental Activities- Internal Service Funds</u>
	<u>County Housing Choice Vouchers</u>	<u>County AMP 5</u>	<u>City AMP 3</u>	<u>Other Enterprise Funds</u>		
Cash flows from operating activities:						
Cash receipts from tenants	\$ 100	\$ 534	\$ 1,123	\$ 15,099	\$ 16,856	\$ -
Cash receipts from interfund services provided	-	-	-	-	-	6,637
Cash paid to tenants	(35)	-	-	(548)	(583)	-
Cash paid to suppliers for goods and services	(2,543)	(863)	(999)	(9,786)	(14,191)	(2,472)
Cash paid to employees for services	(3,292)	(380)	(465)	(6,512)	(10,649)	(5,663)
Cash paid for administrative expense	(1,661)	(217)	(296)	(6,065)	(8,239)	-
Cash paid for housing assistance payment	(100,817)	(21)	-	(4,953)	(105,791)	-
Cash paid for claims and judgment	-	-	-	(3)	(3)	-
Net cash used in operating activities	<u>(108,248)</u>	<u>(947)</u>	<u>(637)</u>	<u>(12,768)</u>	<u>(122,600)</u>	<u>(1,498)</u>
Cash flows from noncapital financing activities:						
Transfers in	28	58	111	862	1,059	1,648
Transfers out	-	-	-	(51)	(51)	(530)
Intergovernmental revenue received	110,095	920	1,097	13,804	125,916	-
Net cash provided by noncapital financing activities	<u>110,123</u>	<u>978</u>	<u>1,208</u>	<u>14,615</u>	<u>126,924</u>	<u>1,118</u>
Cash flows from capital and related financing activities:						
Purchase of capital assets	-	-	-	(204)	(204)	(12)
Payments on long-term liabilities	-	-	-	(43)	(43)	(505)
Interest paid	(314)	-	-	(36)	(350)	(539)
Net cash provided by (used in) capital and related financing activities	<u>(314)</u>	<u>-</u>	<u>-</u>	<u>(283)</u>	<u>(597)</u>	<u>(1,056)</u>
Cash flows from investing activities:						
Payments received on notes receivable	-	-	-	129	129	74
Interest received	53	2	16	301	372	150
Net cash provided by investing activities	<u>53</u>	<u>2</u>	<u>16</u>	<u>430</u>	<u>501</u>	<u>224</u>
Net increase (decrease) in cash and cash equivalents	1,614	33	587	1,994	4,228	(1,212)
Cash and cash equivalents, beginning, as restated	3,904	296	1,550	17,689	23,439	13,951
Cash and cash equivalents, ending	<u>\$ 5,518</u>	<u>\$ 329</u>	<u>\$ 2,137</u>	<u>\$ 19,683</u>	<u>\$ 27,667</u>	<u>\$ 12,739</u>
Reconciliation of cash and cash equivalents to the statement of net position:						
Cash and investments	\$ 3,455	\$ 231	\$ 2,048	\$ 15,002	\$ 20,736	\$ 12,190
Restricted cash and investments	2,063	98	89	4,681	6,931	549
Total	<u>\$ 5,518</u>	<u>\$ 329</u>	<u>\$ 2,137</u>	<u>\$ 19,683</u>	<u>\$ 27,667</u>	<u>\$ 12,739</u>

The notes to the basic financial statements are an integral part of this statement.

**Sacramento Housing and Redevelopment Agency**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Business-type Activities-Enterprise Funds</u>					<u>Governmental Activities- Internal Service Funds</u>
	<u>County Housing Choice Vouchers</u>	<u>County AMP 5</u>	<u>City AMP 3</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	
Reconciliation of operating loss to net cash used in operating activities:						
Operating loss	\$ (108,082)	\$ (2,312)	\$ (1,622)	\$ (17,910)	\$ (129,926)	\$ (1,624)
Adjustments to reconcile operating loss to net cash used in operating activities:						
Depreciation	-	1,368	955	4,362	6,685	378
Change in assets and liabilities:						
Accounts receivable	61	7	14	76	158	-
Due from other funds	-	-	-	497	497	292
Prepaid items	-	-	-	1	1	(465)
Accounts payable	27	54	26	184	291	9
Accrued liabilities	34	13	(3)	38	82	(232)
Due to other funds	(200)	(104)	-	(331)	(635)	-
Due to other governments	(45)	-	-	733	688	-
Unearned revenue	(8)	7	7	48	54	-
Deposit and trust liability	(35)	20	(14)	(466)	(495)	-
Compensated absences	-	-	-	-	-	144
Total adjustments	<u>(166)</u>	<u>1,365</u>	<u>985</u>	<u>5,142</u>	<u>7,326</u>	<u>126</u>
Net cash used in operating activities	<u>\$ (108,248)</u>	<u>\$ (947)</u>	<u>\$ (637)</u>	<u>\$ (12,768)</u>	<u>\$ (122,600)</u>	<u>\$ (1,498)</u>
Noncash Investing, Capital and Financing Activities:						
Capital assets transferred from governmental funds	\$ -	\$ 1,076	\$ 10,247	\$ 8,448	\$ 19,771	\$ -
Capital assets transferred from other enterprise funds	-	-	192	1,052	1,244	-
Loans receivables transferred to governmental funds	-	-	-	(5,441)	(5,441)	-
Capital asset transferred to other enterprise funds	(6)	-	(989)	(249)	(1,244)	-
Capital asset transferred from component unit funds	-	-	-	5,601	5,601	-

The notes to the basic financial statements are an integral part of this statement.

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Net Position**  
**Component Units**  
**December 31, 2014**  
(amounts expressed in thousands)

	Sacramento Housing Development Corporation	Shasta Hotel Corporation	Norwood Avenue Housing Corporation	Sacramento Housing Authority Repositioning Program, Inc.	Total Component Units
<b>ASSETS</b>					
Cash and investments	\$ 385	\$ 111	\$ 733	\$ 3,264	\$ 4,493
Receivables (net)	4	8	-	7	19
Prepaid items	-	19	-	9	28
Restricted cash and investments	251	18	-	-	269
Other long-term assets	-	-	1,710	-	1,710
Notes receivable (net)	-	-	-	780	780
Advances to primary government	1,000	-	-	-	1,000
Capital assets					
Land and construction in progress	-	-	2,552	-	2,552
Depreciable buildings and improvements, and property and equipment, net	9,124	1,234	161	-	10,519
Total assets	<u>10,764</u>	<u>1,390</u>	<u>5,156</u>	<u>4,060</u>	<u>21,370</u>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	20	95	22	26	163
Unearned revenue	11	1	-	9	21
Deposit and trust liability	55	16	-	-	71
Advances from primary government	101	-	2,485	-	2,586
Long-term liabilities:					
Due in more than one year	1,661	3,264	-	-	4,925
Total liabilities	<u>1,848</u>	<u>3,376</u>	<u>2,507</u>	<u>35</u>	<u>7,766</u>
<b>Net Position</b>					
Net investment in capital assets	8,191	(766)	2,713	-	10,138
Restricted for:					
Housing	200	2	-	-	202
Unrestricted (deficit)	525	(1,222)	(64)	4,025	3,264
Total net position (deficit)	<u>\$ 8,916</u>	<u>\$ (1,986)</u>	<u>\$ 2,649</u>	<u>\$ 4,025</u>	<u>\$ 13,604</u>

The notes to the basic financial statements are an integral part of this statement.

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Activities**  
**Component Units**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>			<b>Net (Expense) Revenue</b>
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	
Business-type activities:					
Sacramento Housing Development Corporation Local Housing	\$ 1,191	\$ 590	\$ 129	\$ -	\$ (472)
Shasta Hotel Corporation Local Housing	712	454	100	-	(158)
Norwood Avenue Housing Corporation Local Housing	123	-	-	-	(123)
Sacramento Housing Authority Repositioning Program, Inc. Local Housing	6,315	346	978	-	(4,991)
Total component units	<u>\$ 8,341</u>	<u>\$ 1,390</u>	<u>\$ 1,207</u>	<u>\$ -</u>	<u>\$ (5,744)</u>

	<b>Sacramento Housing Development Corporation</b>	<b>Shasta Hotel Corporation</b>	<b>Norwood Avenue Housing Corporation</b>	<b>Sacramento Housing Authority Repositioning Program, Inc.</b>	<b>Total Component Units</b>
Change in net position:					
Net expense (revenue)	\$ (472)	\$ (158)	\$ (123)	\$ (4,991)	\$ (5,744)
General revenues:					
Investment earnings	4	-	-	26	30
Miscellaneous	2	1	156	642	801
Total general revenues	<u>6</u>	<u>1</u>	<u>156</u>	<u>668</u>	<u>831</u>
Change in net position	(466)	(157)	33	(4,323)	(4,913)
Net position (deficits) - beginning	9,382	(1,829)	2,616	8,348	18,517
Net position (deficits)- ending	<u>\$ 8,916</u>	<u>\$ (1,986)</u>	<u>\$ 2,649</u>	<u>\$ 4,025</u>	<u>\$ 13,604</u>

The notes to the basic financial statements are an integral part of this statement.

# *Notes to the Basic Financial Statements*

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

**I. Summary of Significant Accounting Policies**

**A. Reporting Entity**

The Sacramento Housing and Redevelopment Agency (Agency) is a joint powers authority formally created in 1982 (but operating since 1973) to provide common professional staffing to the City of Sacramento (City) and County of Sacramento (County) to administer and manage its housing authorities, redevelopment agencies and the city and county federal housing and community development entitlement funds. The Agency is a separate legal entity and is not a component unit of the City or County of Sacramento. SHRA receives no City or County general funds and the Agency is not included in the Comprehensive Annual Financial Report of either the City or County of Sacramento.

The members of the joint powers authority included the City and County of Sacramento, the Housing Authorities of the City and County of Sacramento and the Redevelopment Agencies of the City and County of Sacramento (or their Successor Agency). On February 1, 2012, all Redevelopment Agencies in the State of California were eliminated and replaced with a Successor Agency responsible for the wind down of former redevelopment agency activities and debt. On February 1, 2012, the legal and treasury functions related to the administration and management of the former redevelopment activities and payment of debt for the former redevelopment agencies of the City and County of Sacramento were assumed within the City and County management structure. However, all housing assets and housing functions of the former redevelopment agencies were assumed by the Housing Authority of the City and the Housing Authority of the County to be staffed, managed and administered by the Agency.

The Agency serves as the fiscal agent/administrator and provides the exclusive staffing for the Housing Authorities of the City and County of Sacramento. The Housing Authorities of the City and County were formed in July 1939 and June 1940, respectively. Additionally, since June of 1982 the Agency has administered and managed the federal Community Development Block Grant Program (CDBG) and Home Investment Partnership Program (HOME) for the City and County of Sacramento. In 2012 and 2013 with changes to federal regulations related to Homeless Continuum of Care funding, the Agency assumed administration of several federal grant programs from the County of Sacramento including Housing Opportunities for Persons with AIDS (HOPWA), Shelter Plus Care, Transitional Living and Community Support (TLCS) and Emergency Solutions Grants (ESG).

The governing board of the Agency is the Sacramento Housing and Redevelopment Commission (Commission). The Commission's authority to approve housing related projects, programs and budgets is limited to what is delegated to them by the governing boards of the Agency members. The City Council serves as the governing board for the City Housing Authority and the City Redevelopment Agency Successor Agency and has retained the power to approve City housing related projects, programs and budgets. The County Board of Supervisors serves as the governing board for the County Housing Authority and the County Redevelopment Agency Successor Agency and has retained power to approve County related housing agenda items. The Commission also serves in an advisory capacity for each Agency member and the Commission has operational authority within the budget and policy direction approved by the City Council and County Board of Supervisors.

The Agency has defined its reporting entity in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, which provides guidance for determining which governmental activities, organizations, and functions should be included in its reporting entity. The component units discussed in the following paragraphs are included in the Agency's reporting entity because of the significance of their operational or financial relationships with the Agency. Blended component units, although legally separate entities are, in substance, part of the government's operations. The discretely presented component units are reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that they are legally separate from the Agency. Complete financial statements of individual component units can be obtained from the Finance Department of the Agency.

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

**Blended Component Unit**

**Foundation Uniting Needs and Dollars (FUND, Inc.)** - A nonprofit corporation established to maintain or aid charitable activities serving the public. FUND, Inc. is a component unit of the Agency because the purpose of this corporation is to promote and support the activities and programs of the Sacramento Housing and Redevelopment Agency. The Board of Directors of FUND, Inc. is comprised of the members of the Commission. Acting in its capacity as the Board of Directors, the Commission approves the FUND, Inc. budget. The Executive Director of the Agency serves as the Executive Director of FUND, Inc.

**Discretely Presented Component Units**

**Sacramento Housing Development Corporation (SHDC)** - A nonprofit public benefit corporation created to serve as the general partner of Riverview Plaza Associates (RPA). SHDC is a component unit of the Agency because the governing board of the SHDC is comprised of the members of one of the governing boards of the Agency, the County Board of Supervisors; the Agency is legally obligated to finance any deficits of SHDC; and the Executive Director of the Agency also serves as the Executive Director of SHDC. SHDC is the General Partner of the following limited partnership:

**Riverview Plaza Associates (RPA)** - A California limited partnership created to provide affordable housing to seniors with limited income. One of the governing boards of the Agency (the County Board of Supervisors) serves as the Board of Directors of the general partner. The Housing Authority of the City of Sacramento serves as the limited partner. Additionally, through contractual arrangement, the Agency is responsible for all financial matters including management of daily operations. Finally, the Agency has historically contributed funds to cover obligations of the RPA, to the extent that RPA revenues are inadequate. During the year ended December 31, 2014, the Agency did not contribute to RPA.

**Shasta Hotel Corporation (Corporation)** - A nonprofit public benefit corporation with a governing board comprised of Agency staff and representatives of selected nonprofit housing and social service entities. The Corporation is a component unit because the general partner's governing board members serve at the direction of the Executive Director of the Agency, and through contractual arrangements, the Agency is responsible for financial and operational matters of the Shasta Hotel Investors Partnership (Partnership). The Corporation is the General Partner of the following limited partnership:

**Shasta Hotel Investors Partnership** - A California limited partnership created for the purpose of constructing and operating an 80 unit rental housing project in Sacramento, California. The Partnership is comprised of the following two entities: (1) Shasta Hotel Corporation, as managing general partner and (2) Norwood Avenue Housing Corporation, a California nonprofit public benefit corporation as limited partner.

**Norwood Avenue Housing Corporation (NAHC)** - A nonprofit public benefit corporation with a governing board comprised of three Agency staff appointed by the Executive Director of the Agency and two community representatives. NAHC is a component unit because through contractual arrangements, the Agency bears some responsibility for financial and operational matters of NAHC, as well as having the ability to impose its will on the NAHC by appointing and removing its board members.

**Sacramento Housing Authority Asset Repositioning Program, Inc.** - As a nonprofit public benefit corporation, the Sacramento Housing Authority Repositioning Program, Inc. (SHARP), was formed for the purpose of serving as the general partner of the entity that will own, rehabilitate and operate former public housing properties acquired through HUD's assets demolition and disposition process. The purpose of SHARP is to allow the Housing Authority of the City of Sacramento and the Housing Authority of the County of Sacramento to leverage private sector capital to make improvements to housing inventory removed from the federal Public Housing program through HUD's asset disposition process. The SHARP board members will be appointed by the Agency's Executive Director. Assets transferred to SHARP will be rehabilitated through various financing structures including the use of limited partnerships that will be able to benefit from the use of tax credit financing.

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

**B. New Pronouncements**

In January 2013, the GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. The objective of this Statement is to establish accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, government combinations include a variety of transactions referred to as mergers, acquisitions, and transfers of operations. The Agency has determined that there is no impact on the financial statements resulting from the implementation of this standard. The provisions of this Statement are effective for financial statements for reporting periods beginning after December 15, 2013.

In April 2013, the GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The Agency has determined that there is no impact on the financial statements resulting from the implementation of this standard. The provisions of this Statement are effective for financial statements for reporting periods beginning after June 15, 2013.

**C. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Agency and its component units. Governmental activities, which normally are supported by intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental and proprietary funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

**D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Investment earnings, and certain state and federal grants and charges for services are accrued when their receipt occurs within 60 days after the end of the accounting period so as to be both measurable and available. All other revenue items are considered to be measurable and available only when cash is received by the Agency.

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

The Agency reports the following major governmental funds:

The *City and County Home Investment Partnerships Act (HOME) special revenue funds* account for the activities of programs/projects to provide more units of low-income housing in the City and County of Sacramento. HOME reports federal grant revenues and program income receipts from loan repayments.

The *City and County Housing Successor special revenue funds* account for the low and moderate capital improvement activity remaining after the dissolution of redevelopment. The only funding is from the City and County Redevelopment Agency Successor Agencies for items that were previously approved on the Recognized Obligations Payment Schedule (ROPS).

The Agency reports the following major enterprise funds:

The *County Housing Choice Vouchers fund* accounts for various U.S. Department of Housing and Urban Development programs that subsidize private landlords to house low-income households within the County of Sacramento.

The *County AMP 5 fund* accounts for the Pointe Lagoon low-income housing project owned and operated by the Agency. Operating subsidy is received for this project from the U.S. Department of Housing and Urban Development (HUD).

The *City AMP 3 fund* accounts for the Central City low-income housing project owned and operated by the Agency. Operating subsidy is received for this project from the U.S. Department of Housing and Urban Development (HUD).

Additionally, the Agency reports the following fund type:

*Internal service funds* are used to account for the costs of insurance and accumulated funds for catastrophic events and the financing of goods or services provided among and between Agency departments and to other governmental units.

Eliminations have been made to minimize the double counting of internal activities in the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Agency's enterprise funds are rental income from its public housing units. Operating expenses for enterprise funds include employee services, services and supplies, administrative expenses, utilities, depreciation on capital assets, claims and judgements and housing assistance payments to landlords. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When an expenditure is incurred, which is not already covered by committed or restricted fund balance, it shall be the policy of the Agency to consider assigned amounts to have been reduced first followed by committed then restricted amounts.

## **E. Assets, Liabilities and Net Position or Fund Balance**

### **1. Cash and Investments**

Under the terms of the joint powers agreement the Agency's Director of Finance is the treasurer of the joint powers agency. However, since 1980 the City Treasurer manages the Agency's cash and investments, except those that must be legally segregated. The share of each fund in the pooled cash accounts is separately accounted for and investment earnings is apportioned monthly to funds that are legally required to receive interest based on the relationship of a fund's average daily balance to the total pooled cash and investments.

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

The balance of pooled cash is maintained at a level sufficient to meet current operating requirements. Cash in excess of current requirements is invested. Investments for the Agency are stated at fair value, based on quoted market prices.

The City Treasurer is responsible for the regulatory oversight of its pool. The Agency formally requested that the City invest the Agency's funds in compliance with Section 53601 of the California Government Code and the City Council adopted a revised investment policy to accommodate the Agency's request.

Investment of funds serves to maximize investment income and is accomplished by various custodial financial institutions vested with responsibility for administering funds under the control of the City Treasurer. The fair value of investments is determined monthly. The value of the pooled shares in the City and with the Local Agency Investment Fund (LAIF) that may be withdrawn is determined on an amortized cost basis, which is different than fair value. However, the fair value of the Agency's position in the pool is the same as the value of the pool shares.

Investment earnings on bond proceeds are recorded in the City and County Housing Successor funds.

## **2. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Notes receivable amounts primarily represent loans made for redevelopment, economic development and property rehabilitation. The Agency has created an allowance for loan losses for receivables that the Agency has identified as potentially uncollectible. If the amounts become uncollectible, they will be written-off and charged against the allowance when the determination is made. The allowance for loan losses as of December 31, 2014 was \$1,518.

Accounts receivable amounts primarily represent rental revenues from housing authority tenants and fraud recovery revenues in the Housing Choice Vouchers program. The Agency has created an allowance for tenant accounts receivables that the Agency has identified as potentially uncollectible. If the amounts become uncollectible, they will be written-off and charged against the allowance when the determination is made. The allowance for accounts receivables as of December 31, 2014 was \$43.

Amounts reported as due from other governments represent receivables from federal, state, and local governments for various programs.

## **3. Prepaid Items**

Prepaid items represent costs for goods and/or services, which will benefit periods beyond December 31, 2014.

## **4. Restricted Cash and Investments**

Certain proceeds of debt issuances, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position and balance sheet because their use is limited by applicable debt covenants. In addition, certain cash and investments are restricted by grantors for replacement, tenant security deposits and insurance impounds. The total restricted assets on the government-wide statement of net position equals \$7,910 of which \$1,709 represents cash and investments restricted by debt covenants, \$1,952 is restricted for the Housing Choice Voucher program, \$417 is for replacement and operating reserves, \$748 is for payment of supplemental mortgage revenue bond fees, \$1,793 is for deposit and trust liabilities, \$281 is for the Family Self Sufficiency program (FSS), \$1,006 is for tenant security deposits and \$4 is for insurance impounds.

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

**5. Capital Assets**

Capital assets, which include land, construction in progress, buildings and improvements, and property and equipment, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and the proprietary funds financial statements. Capital assets are recorded at the lower of actual historical cost or fair market value (as of the date donated for contributed assets). Capital assets are depreciated using the straight-line method over the following estimated useful lives: 40 years for buildings and improvements, and 5 to 10 years for property and equipment. It is the policy of the Agency to capitalize all land, construction in progress, buildings and improvements, and property and equipment with an initial, individual cost of more than \$5. Interest incurred during the construction phase of capital assets of business-type activities and component units is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets lives are not capitalized.

In the government-wide financial statements and in the proprietary funds financial statements, costs of assets sold or retired (and related amounts of accumulated depreciation) are eliminated from the accounts in the year of sale or retirement and the resulting gain or loss is included in the operating statement of the related fund. In governmental funds, the proceeds of the sale of general capital assets are reported in the statement of revenues, expenditures and changes in fund balances.

**6. Compensated Absences**

An employee accumulates vacation time in accordance with the employee's respective Memorandum of Understanding. The amount of vacation vested and accrued depends on years of service and date of hire. Vacation vested may be accumulated up to various maximum hours and is paid in full upon retirement. Sick leave time may be accumulated without limit.

Annually, employees with accrued sick leave of 500 hours or more, and who have used twenty-four (24) hours or less of sick leave by December 1 of the current calendar year, may cash out up to sixteen (16) hours sick leave in pay period 26 by submitting a written request to Human Resources. Sick leave used for any reason protected by law is not considered in determining eligibility for this cashout.

At retirement with less than fifteen (15) years of service, Represented, Confidential, and Exempt employees may convert all accrued but unused sick leave to retirement service credit pursuant to Section 20965 of the Government Code; or at retirement with fifteen (15) or more years of service, may cash out up to thirty-three and one third (33 1/3%) percent of 1040 hours of accrued but unused sick leave and convert the balance to retirement service credit or convert all accrued but unused sick leave to retirement service credit.

In the government-wide and proprietary funds financial statements, accrued vacation and sick pay are charged as an expense in the period earned. Compensated absences are generally liquidated by the Agency's internal service funds. The related liability is recorded in the Internal Support Internal Service Fund.

**7. Unavailable and Unearned Revenue**

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

Unearned revenue represents resources received before the Agency has a legal claim to them and the earnings process has not completed. Monies are collected prior to providing the goods and/or services to satisfy the obligations.

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

**8. Long-Term Obligations**

In the government-wide and proprietary funds financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds statement of net position.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs. The face amount of debt and bond premiums received on debt issuances are reported as other financing sources. Discounts on debt issuances are reported as other financing uses. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Bonds payable are reported net of the applicable bond premium or discount. Principal and interest repayments are shown as debt service expenditures in the fund financial statements.

**9. Net Position/Fund Balance**

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

*Net investment in capital assets* - This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

*Restricted net position* – This category consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. This net position is mainly restricted by HUD and the Health and Safety Code.

*Unrestricted net position* – This category represents the net position of the Agency, not restricted for any project or other purpose.

In the fund financial statements, governmental funds report fund balances as nonspendable, restricted, committed, assigned or unassigned based on the extent to which the Agency is bound to honor constraints on how resources can be spent.

- **Nonspendable fund balance**-amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- **Restricted fund balance**-amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed fund balance**-amounts that can only be used for specific purposes determined by formal action of the Agency's highest level of decision making authorities; (1) the Commission has authority to approve housing related projects, programs and budgets and is limited to what is delegated to them by the governing boards of the Agency members; (2) The City Council serves as the City Housing Authority and the City Redevelopment Agency Successor Agency governing boards and has retained the power to approve City housing related projects, programs and budgets; (3) The County Board of Supervisors serves as the County Housing Authority and the County Redevelopment Agency Successor Agency governing boards and has retained power to approve County related housing agenda items. These actions result in a formal resolution that remains binding unless removed in the same manner. The underlying action that imposed the limitation must occur prior to the close of the reporting period; however, the amount which will be subject to the constraint may be determined in a subsequent period. The Commission, City Council or County Board of Supervisors establishes, modifies or rescinds fund balance commitments by passage of a resolution.

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

- **Assigned fund balance**-amounts that are constrained by the Agency’s intent to be used for specific purposes. The intent can be established at either the highest level of decision making or by a body or an official designated for that purpose. The City Council and County Board of Supervisors have given the Executive Director authorization to assign fund balances that meet the purposes of the respective funds. The County Land Bank funds have been assigned for community development activities by the Executive Director. Agency management can assign fund balance to be used for specific purposes in accordance with the Agency’s fund balance policy.
- **Unassigned fund balance**-the residual classification for the general fund. However, the Agency does not have a general fund so it may only use this classification if expenditures incurred for specific purposes exceeded the amounts restricted, committed or assigned to those purposes, and it is necessary to report a negative unassigned fund balance.

When an expenditure is incurred, which is not already covered by committed or restricted fund balance, it shall be the policy of the Agency to consider assigned amounts to have been reduced first followed by committed then restricted amounts.

The Agency considers restricted amounts to have been spent when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. Committed and assigned amounts are considered to have been spent when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**10. Statement of Cash Flows**

For the purposes of the statement of cash flows, cash and cash equivalents have been defined as all highly liquid investments (including restricted cash and investments) with a maturity of three months or less from the date of purchase and pooled cash.

**11. Estimates**

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**F. Special Item**

In 2014, the Housing Authority completed the sale and subsequent tax credit financing of the Sutterview Housing Associates L.P. and the Sierra Vista Housing Associates L.P. The financing included the sale of the buildings from the Housing Authority to the limited partnerships and a ground lease of the land. The buildings were sold for fair market value and the Housing Authority received a seller carry back loan in exchange. The transaction resulted in a special item for 2014 in the amount of \$7,200, which was determined as follows:

	<u>Sutterview</u>	<u>Sierra Vista</u>	
Notes receivable	\$ 6,733	\$ 6,792	
Land	175	69	
Book value of land and buildings sold	<u>(5,601)</u>	<u>(989)</u>	
	<u>\$ 1,307</u>	<u>\$ 5,893</u>	

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

**II. Stewardship, Compliance, and Accountability**

**A. Budgets and Budgetary Accounting**

The annual budget of the Agency is adopted on a calendar year basis. Prior to December 31, the Executive Director submits a proposed operating budget to the governing bodies for review and approval. The budget is legally enacted through passage of a resolution prior to January 1. The budget adoption resolution specifies that the Agency budget is controlled at the fund level and that no expenditure will exceed the approved budget. Budgeted expenditures represent original appropriations adjusted by supplemental budgetary appropriation amendments. Management has the authority to over expend appropriations at the function or department level without additional approval of the governing bodies as long as the total appropriations for the fund are not exceeded.

Encumbrance accounting is used during the year for budgetary control. Encumbrances outstanding at year-end do not constitute expenditures or liabilities, but rather, a commitment of fund balance. The Agency honors contracts represented by year-end encumbrances in the subsequent year's appropriations provided that the Agency has adequate funding to complete these transactions. Encumbrance appropriation carryovers are limited to the balance remaining of operating budget appropriations. All other operating budget appropriations and encumbrances lapse at year-end.

Annual operating budgets are adopted on a modified accrual basis for all debt service funds, Local Tax Special Revenue funds, Community Services and Housing Special Revenue funds, except for the City Housing Successor, County Housing Successor, and FUND, Inc. Project budgets are adopted for the Agency's major special revenue funds, City and County HOME and City and County Housing Successor, for the duration of the project which may extend over several years. The adopted project budgets for the Community Development Special Revenue funds and for the capital project funds are adopted on a project length basis. Additionally, although not legally required, the Agency adopts annual budgets for the enterprise, internal service, and certain component unit funds.

For financial reporting purposes, budgetary information is presented on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America for those special revenue funds and debt service funds which have annual budgets.

**B. Deficit Fund Balances/Net Position**

The following funds have deficit fund balances/net position:

Special Revenue:	
County Misc Development Grants	\$ 1,627
Capital Projects:	
County Capital Fund	179
Enterprise:	
Norcade Circle	152

The deficit fund balance of the County Misc Development Grants special revenue fund is due to a debt payment that occurred in 2011 for the Auburn/Garfield project. This fund received an advance of cash to cover the payment which will be repaid by sales proceeds from the Auburn/Garfield property. The County Capital Fund capital projects fund was a result of revenues that were received more than 60 days after year end and, therefore resulted in unavailable revenue. Norcade Circle did not begin leasing units until September of 2013 but was incurring operating expenses. The deficit will be paid with future rental revenues.

**Sacramento Housing and Redevelopment Agency**  
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**For the Year Ended December 31, 2014**  
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**III. Detailed Notes on All Funds**

**A. Cash and Investments**

At December 31, 2014, total Agency cash and investments at fair value were as follows:

	Primary Government	Component Units	Total
Cash and investments	\$ 72,641	\$ 4,493	\$ 77,134
Restricted cash and investments	7,641	269	7,910
 Total cash and investments	 <u>\$ 80,282</u>	 <u>\$ 4,762</u>	 <u>\$ 85,044</u>

At December 31, 2014, the Agency's cash and investments consist of the following:

Cash in bank	\$ 9,466
Investments	<u>75,578</u>
 Total cash and investments	 <u>\$ 85,044</u>

The table below identifies the investment types that are authorized for the Agency, including its discretely presented component units, by California Government Code Section 53601 and pursuant to the Agency's investment policy. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the Agency, rather than the general provisions of the Agency's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer	Minimum Rating
Local Agency Bonds	5 years	No limit	No limit	None
U.S. Treasury Obligations	5 years	No limit	No limit	None
U.S. Agency Securities	5 years	No limit	No limit	None
Bankers Acceptance	180 days	40%	30%	None
Commercial Paper	270 days	25%	10%	A1/P1
Negotiable Certificates of Deposit	5 years	30%	30%	None
Repurchase Agreements	1 year	No limit	No limit	None
Reverse Repurchase Agreements	92 days	20%	No limit	None
Medium Term Notes (Corporate & Depository debt securities)	5 years	30%	No limit	A
Mutual Funds (that invest in allowable securities)	N/A	20%	10%	AAA
Money Market Mutual Funds	N/A	20%	10%	AAA
Collateralized Bank Deposits	5 years	No limit	No limit	None
Mortgage Pass-through Securities	5 years	20%	No limit	AA
Time Deposits	5 years	No limit	No limit	None
County Pooled Investment	N/A	No limit	No limit	None
Joint Powers Authority Pool	N/A	No limit	No limit	None
Local Agency Investment Fund (LAIF)	N/A	No limit	No limit	None

**Sacramento Housing and Redevelopment Agency**  
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**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity its fair value is to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, one of the ways that the City Treasurer manages the Agency's exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturing evenly over time as necessary to provide the cash flow and liquidity needed for operations.

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Agency's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits and securities lending transactions: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The California Government Code limits the total of all securities lending transactions to 20% of the fair value of the investment portfolio. At December 31, 2014, the carrying amount of the Agency's deposits is \$4,704 and the bank balance is \$5,011. Of the bank balance, \$2,271 is covered by federal depository insurance, and \$2,740 is collateralized with securities held by the pledging financial institution, in accordance with the State of California Government Code. At December 31, 2014, the carrying amount of the Agency's discretely presented component units deposits is \$4,762 and the bank balance is \$4,760. Of the bank balance, \$379 is covered by federal depository insurance, \$3,900 is collateralized with securities held by the pledging financial institution, and \$481 is uninsured and uncollateralized. Those amounts which are uninsured and uncollateralized are held with state and federal agencies.

**Concentration of Credit Risk**

Nearly 15%, or \$11,701, of the Agency's investment portfolio at year-end are in U.S. Agency Securities. There is no limitation on amounts invested in U.S. Agency Securities. Of the \$28,579, or 38%, of the Agency's investment portfolio invested in corporate bonds and municipal bonds, no investment in a single issuer exceeded 5%. There were no investments in any one issuer (other than CalTrust, an external investment pool) that represents 5% or more of the Agency's total investments.

**Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. It is the Agency's policy to purchase investments with the minimum ratings required by the California Government Code. Several bonds were below the minimum rating requirements at December 31, 2014, but met compliance with the Agency's policy at the time of purchase.

**Sacramento Housing and Redevelopment Agency**  
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As of December 31, 2014, the Agency's (primary government) investments and credit ratings are as follows:

	Credit Rating (S&P/Moody's)	Remaining Maturity in Years		Fair Value
		Under 1	1-5	
Cash in banks		\$ -	\$ -	\$ 3,267
Certificates of Deposits (non-negotiable)	Not Rated	747	997	1,744
Less Outstanding Checks		-	-	(307)
		<u>747</u>	<u>997</u>	<u>4,704</u>
Corporate Bonds	A/A1	1,012	-	1,012
Corporate Bonds	A/Aa3	-	748	748
Corporate Bonds	A/A2	-	4,327	4,327
Corporate Bonds	AA+/A1	-	1,035	1,035
Corporate Bonds	AA-/Aa3	-	1,981	1,981
Corporate Bonds	AA/Aa3	-	2,218	2,218
Corporate Bonds	A+/A1	-	1,997	1,997
Corporate Bonds	A+/Aa2	-	494	494
U.S Agency Securities	AA+/AAA	-	2,993	2,993
U.S Agency Securities	AA+/Aaa	-	8,708	8,708
CalTrust	Not Rated	34,921	-	34,921
LAIIF	Not Rated	10	-	10
Money Market Mutual Funds	Not Rated	367	-	367
Municipal Bonds	A+/Aa3	633	3,448	4,081
Municipal Bonds	A+/A2	-	210	210
Municipal Bonds	AA/Aa2	-	1,502	1,502
Corporate Bonds (Variable Rate Securities)	A/A2	-	4,996	4,996
Corporate Bonds (Variable Rate Securities)	AA-/Aa3	-	1,992	1,992
Corporate Bonds (Variable Rate Securities)	A-/BAA1	-	1,986	1,986
Total Cash and Investments-Primary Government		<u>\$ 37,690</u>	<u>\$ 39,632</u>	<u>\$ 80,282</u>

As of December 31, 2014, the cash and investments of the discretely presented component units of the Agency are as follows:

	Fair Value
Cash in banks	\$ 4,760
Add Deposits in transit	<u>2</u>
Total Cash and Investments-Component Units	<u>\$ 4,762</u>

**Participation in External Investment Pools**

The Agency is also a voluntary participant in the Investment Trust of California (CalTRUST) which is a Joint Powers Authority governed by a Board of Trustees made up of local treasurers and investment officers. The Board of Trustees sets overall policy for CalTRUST, and selects and supervises the activities of the Investment Manager and other agents. As of December 31, 2014, the Agency's investment in CalTRUST is \$34,921, of which \$8,593 was invested in the Money Market Fund and \$26,328 in the Short-Term pool. The fair value of the position in the pool is the same as the value of the pooled shares.

**Sacramento Housing and Redevelopment Agency**  
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**For the Year Ended December 31, 2014**  
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**Investment in State Investment Pool**

The Agency is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code. All investments with LAIF are secured by the full faith and credit of the State of California. The Local Investment Advisory Board (LIAB) has oversight responsibility for LAIF. The LIAB consists of five members as designated by State Statute. A total of \$19,493,012 is invested by public agencies in the LAIF as of December 31, 2014. LAIF is part of the State of California Pooled Money Investment Account (PMIA) whose balance at December 31, 2014 was \$60,268,888. Of this amount, 1.08% was invested in structured notes and medium-term asset-backed securities and 0.24% was invested in short-term asset-backed commercial paper (ABCP). PMIA is not SEC-registered, but is required to invest according to California Government Code. The average maturity of PMIA investments was 200 days as of December 31, 2014.

**B. Receivables**

Receivables as of December 31, 2014 for the Agency's governmental activities are as follows:

	Accounts receivable	Due from other governments	Total receivables	Gross notes receivable	Allowance for loan losses	Net notes receivable
City HOME	\$ 46	\$ 191	\$ 237	\$ 44,147	\$ (381)	\$ 43,766
County HOME	6	4,412	4,418	57,933	(372)	57,561
City Housing Successor	18	2,398	2,416	45,162	(12)	45,150
County Housing Successor	-	-	-	15,890	-	15,890
Other Governmental Funds	141	7,216	7,357	93,285	(720)	92,565
Internal Service	-	-	-	191	-	191
Total	<u>\$ 211</u>	<u>\$ 14,217</u>	<u>\$ 14,428</u>	<u>\$ 256,608</u>	<u>\$ (1,485)</u>	<u>\$ 255,123</u>

Generally notes receivable are not expected to be collected within one year.

Receivables as of December 31, 2014 for the Agency's business-type activities are as follows:

	Gross accounts receivable	Allowance for uncollectibles	Net accounts receivable	Due from other governments	Net total receivables	Gross notes receivable	Allowance for loan losses	Notes receivable
County Housing Choice								
Vouchers	\$ 29	\$ (3)	\$ 26	\$ 113	\$ 139	\$ -	\$ -	\$ -
County AMP 5	15	(2)	13	-	13	-	-	-
City AMP 3	6	(1)	5	-	5	-	-	-
Other Enterprise Funds	404	(37)	367	418	785	29,121	(33)	29,088
Total	<u>\$ 454</u>	<u>\$ (43)</u>	<u>\$ 411</u>	<u>\$ 531</u>	<u>\$ 942</u>	<u>\$ 29,121</u>	<u>\$ (33)</u>	<u>\$ 29,088</u>

The notes receivable in the business-type activities are from 1) notes received for the sale of property in the San Carlos Shelter Plus Care (\$295); 2) notes for the Washington Plaza, Sutterview and Sierra Vista housing projects (\$19,375); 3) notes for construction projects in the Mortgage Revenue Bond Program (\$949); 4) notes for Phoenix Park I (\$2,671) and 5) notes for Phoenix Park II (\$5,798). Repayment of principal and interest are not expected for 55 years.

**Sacramento Housing and Redevelopment Agency**  
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**C. Capital Assets**

Capital asset activity for the year ended December 31, 2014, was as follows:

<u>Governmental activities:</u>	January 1, 2014	Increases	Decreases	Transfers In/Out	December 31, 2014
Capital assets, not being depreciated:					
Land	\$ 18,979	\$ -	\$ (263)	\$ -	\$ 18,716
Construction in progress	24,652	1,520	-	(19,658)	6,514
Total capital assets, not being depreciated	<u>43,631</u>	<u>1,520</u>	<u>(263)</u>	<u>(19,658)</u>	<u>25,230</u>
Capital assets, being depreciated:					
Buildings and improvements	14,697	-	(1,775)	-	12,922
Property and equipment	814	200	-	(175)	839
Total capital assets being depreciated	<u>15,511</u>	<u>200</u>	<u>(1,775)</u>	<u>(175)</u>	<u>13,761</u>
Less accumulated depreciation for:					
Buildings and improvements	(2,116)	(365)	433	-	(2,048)
Property and equipment	(610)	(90)	-	62	(638)
Total accumulated depreciation	<u>(2,726)</u>	<u>(455)</u>	<u>433</u>	<u>62</u>	<u>(2,686)</u>
Total capital assets, being depreciated, net	<u>12,785</u>	<u>(255)</u>	<u>(1,342)</u>	<u>(113)</u>	<u>11,075</u>
Governmental activities capital assets, net	<u>\$ 56,416</u>	<u>\$ 1,265</u>	<u>\$ (1,605)</u>	<u>\$ (19,771)</u>	<u>\$ 36,305</u>
<u>Business-type activities:</u>					
Capital assets, not being depreciated:					
Land	\$ 16,202	\$ -	\$ -	\$ -	\$ 16,202
Construction in progress	1,650	211	-	(1,861)	-
Total capital assets, not being depreciated	<u>17,852</u>	<u>211</u>	<u>-</u>	<u>(1,861)</u>	<u>16,202</u>
Capital assets, being depreciated:					
Buildings and improvements	245,626	6,100	(7,020)	21,156	265,862
Property and equipment	1,491	-	(317)	114	1,288
Total capital assets, being depreciated	<u>247,117</u>	<u>6,100</u>	<u>(7,337)</u>	<u>21,270</u>	<u>267,150</u>
Less accumulated depreciation for:					
Buildings and improvements	(100,644)	(7,278)	695	362	(106,865)
Property and equipment	(1,236)	(79)	317	-	(998)
Total accumulated depreciation	<u>(101,880)</u>	<u>(7,357)</u>	<u>1,012</u>	<u>362</u>	<u>(107,863)</u>
Total capital assets, being depreciated, net	<u>145,237</u>	<u>(1,257)</u>	<u>(6,325)</u>	<u>21,632</u>	<u>159,287</u>
Business-type activities capital assets, net	<u>\$ 163,089</u>	<u>\$ (1,046)</u>	<u>\$ (6,325)</u>	<u>\$ 19,771</u>	<u>\$ 175,489</u>

**Sacramento Housing and Redevelopment Agency**  
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Depreciation expense was charged to functions/programs of the primary government as follows:

<u>Governmental activities:</u>	
Housing Operations	\$ 42
Community Development	35
Internal Service - capital assets held by the Agency's internal service funds are charged to the various functions based on their usage of the assets.	378
Total depreciation expense - governmental activities	<u>\$ 455</u>
 <u>Business-type activities:</u>	
Local Housing	\$ 530
Public Housing	6,155
Total depreciation expense - business-type activities	<u>\$ 6,685</u>

Component unit capital asset activity for the year ended December 31, 2014, was as follows:

<u>Component unit activities:</u>	January 1, 2014, as restated *	Increases	Decreases	December 31, 2014
Capital assets, not being depreciated:				
Land	\$ 2,552	\$ -	\$ -	\$ 2,552
Capital assets, being depreciated:				
Buildings and improvements	29,429	-	(6,100)	23,329
Property and equipment	42	-	(8)	34
Total capital assets, being depreciated	<u>29,471</u>	<u>-</u>	<u>(6,108)</u>	<u>23,363</u>
Less accumulated depreciation for:				
Buildings and improvements	(12,691)	(803)	674	(12,820)
Property and equipment	(25)	(4)	5	(24)
Total accumulated depreciation	<u>(12,716)</u>	<u>(807)</u>	<u>679</u>	<u>(12,844)</u>
Total capital assets, being depreciated, net	<u>16,755</u>	<u>(807)</u>	<u>(5,429)</u>	<u>10,519</u>
Component unit activities capital assets, net	<u>\$ 19,307</u>	<u>\$ (807)</u>	<u>\$ (5,429)</u>	<u>\$ 13,071</u>

Depreciation expense was charged to functions/programs as follows:

<u>Component unit activities:</u>	
Local Housing	\$ 807

\* The January 1 balance decreased \$62,276 due to the following restatements: The Washington Plaza LP capital asset balance was restated by (\$5,458) buildings and improvements and (\$1,948) construction in progress. The Phoenix Park I LP asset balance was restated by (\$37,966) buildings and improvements, (\$658) equipment, (\$9,440) accumulated depreciation-buildings and improvements and (\$658) accumulated depreciation-property and equipment. The Phoenix Park II LP asset balance was restated by (\$34,429) buildings and improvements, (\$627) equipment, (\$8,085) accumulated depreciation-buildings and improvements and (\$627) accumulated depreciation-property and equipment. Refer to Note IV. E concerning the restatement.

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
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**D. Payables**

Payables as of December 31, 2014 for the Agency's governmental activities are summarized as follows:

	<u>Accounts payable</u>	<u>Accrued liabilities</u>	<u>Contracts payable</u>	<u>Due to other governments</u>	<u>Net total payables</u>
City HOME	\$ 148	\$ 7	\$ -	\$ -	\$ 155
County HOME	4,216	6	-	-	4,222
City Housing Successor	76	4	-	-	80
County Housing Successor	8	3	-	-	11
Other Governmental Funds	1,531	41	23	157	1,752
Internal Service	143	601	-	-	744
Total	<u>\$ 6,122</u>	<u>\$ 662</u>	<u>\$ 23</u>	<u>\$ 157</u>	<u>\$ 6,964</u>

Payables as of December 31, 2014 for the Agency's business-type activities are summarized as follows:

	<u>Accounts payable</u>	<u>Accrued liabilities</u>	<u>Due to other governments</u>	<u>Net total payables</u>
County Housing Choice				
Vouchers	\$ 61	\$ 109	\$ 5	\$ 175
County AMP 5	83	23	-	106
City AMP 3	54	21	-	75
Other Enterprise Funds	591	240	748	1,579
Total	<u>\$ 789</u>	<u>\$ 393</u>	<u>\$ 753</u>	<u>\$ 1,935</u>

**E. Interfund Transactions**

The composition of interfund balances as of December 31, 2014, is as follows:

**Due to/from other funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
City Housing Successor	Other Governmental	\$ 1,153
Other Governmental	Other Governmental	679
Other Enterprise	Other Governmental	9
	Other Enterprise	487
		<u>496</u>
Total		<u>\$ 2,328</u>

The due to/from other funds amounts represent negative cash reclassifications.

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**Advances from/to other funds:**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
City Housing Successor	Other Governmental	\$ 170
Other Governmental	Other Governmental	1,115
	Other Enterprise	2,736
		<u>3,851</u>
Other Enterprise	County Housing Choice Vouchers	1,600
	Other Governmental	2,034
		<u>3,634</u>
Total		<u>\$ 7,655</u>

**Advances from/to other funds:**

Amount

<p>\$170 advance from the former City Low/Mod Merged Downtown capital projects fund which now resides with the City Housing Successor special revenue fund to the Local Housing Revenue special revenue fund, authorized and issued in August 2006, with no annual payments due until January 2017, with interest accruing at 4%, due in annual installments of \$5 thru December 2036. Repayment will occur only if the project can receive Housing Choice Vouchers. If no project-based contract is obtained, the advance will be forgiven at the end of 30 years.</p>	\$170
<p>\$2,000 advance from the Mortgage Revenue Bond enterprise fund to the County Housing Choice Vouchers enterprise fund, authorized and issued December 2010, with annual installments of \$200 beginning January 2013 and continuing until December 2019, to be repaid with administrative revenue with 0% interest, for the purpose of providing funds for tenant improvements.</p>	1,600
<p>\$320 advance from the City CDBG special revenue fund to the Phoenix Park enterprise fund, authorized and issued in April 2005, with monthly payments beginning October 2006, with interest accruing at 4%, due in monthly installments of \$2 thru April 2026, to be repaid with rents, for the rehabilitation of 16 units at Phoenix Park.</p>	232
<p>\$390 advance from the City Housing Trust special revenue fund to the City Locally Funded Projects enterprise fund, authorized and issued in 2005. The note was restructured in 2006, adding \$20 to the principal amount, with no interest, payments deferred for 50 years, for the purpose of acquiring and rehabilitating 31-37 Coral Gables Court.</p>	410
<p>\$1,115 advance from the County Housing Trust special revenue fund to the County Affordable Housing special revenue fund, authorized and issued in May 2010, with annual payments beginning December 2011, based upon available revenues, with no interest. No payment was made in 2014. The outstanding balance of all principal then owing shall be paid in a balloon payment in December 2030, for the purpose of planning and formation costs for the Arbor Creek Apartments Project.</p>	1,115

**Sacramento Housing and Redevelopment Agency**  
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<b>Advances from/to other funds (continued):</b>	<u>Amount</u>
\$2,034 advance from the Mortgage Revenue Bond enterprise fund to the County Miscellaneous Development Grant special revenue fund, authorized and issued June 2011, with no annual installments, to be repaid by sales proceeds from the Auburn Garfield development.	\$2,034
\$2,094 advance from the County CDBG NSP 3 and County CDBG Revolving Loan special revenue funds to the City Norcade Circle enterprise fund, authorized and issued September 2011, with 0% interest and no annual payments. Additional principal of \$1,563 was added in 2013. Loan shall be forgiven in equal installments annually over a 10 year term beginning October 2014.	<u>2,094</u>
Total Advances from/to other funds	<u>\$7,655</u>

**Advances to/from primary government and component units:**

<u>Receivable Entity</u>	<u>Payable Entity</u>	<u>Amount</u>
Primary Government-Other Enterprise Funds	Component Unit-NAHC	\$ 2,485
	Component Unit-SHDC	<u>101</u>
		<u>2,586</u>
Component Unit-SHDC	Internal Service Funds	<u>1,000</u>
Total		<u>\$ 3,586</u>

<b>Advances to/from primary government and component units:</b>	<u>Amount</u>
\$101 advance from the Mortgage Revenue Bond enterprise fund to the Sacramento Housing Development Corporation (SHDC) component unit fund, at 0% interest and no due date, for the purpose of covering cash deficit in fund.	\$101
\$1,430 advance from the Phoenix Park enterprise fund to the Norwood Avenue Housing Corporation component unit fund at 0% interest. Payments shall be made annually in an amount equal to the annual aggregate Phoenix Park I, L.P. ground lease payments, if any, that are received by the borrower payable on or before March 1 of each year from residual receipts. The unpaid balance of the note is due and payable in 2059, including without limitation all unpaid principal, interest, fees and charges. The note is secured by a deed of trust.	1,430
\$1,122 advance from the Phoenix Park enterprise fund to the Norwood Avenue Housing Corporation component unit fund at 0% interest. Payments shall be made on or before the sixtieth (60th) day following borrower's receipt of each of the Phoenix Park II, L.P. ground lease payments in an amount equal to the Phoenix Park II, L.P. ground lease payments that are received by borrower from residual receipts. The unpaid balance of the note is due and payable in 2059, including without limitation all unpaid principal, interest, fees and charges. The note is secured by a deed of trust.	1,055

**Sacramento Housing and Redevelopment Agency**  
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<b>Advances to/from primary government and component units (continued):</b>	<u>Amount</u>
\$1,000 advance from the SHDC component unit fund to the Internal Support internal service fund at 0% interest and no due date, for the purpose of providing equity to the general partner of Riverview Plaza Associates for start up capital.	<u>\$1,000</u>
Total Advances to/from primary government and component units	<u>\$3,586</u>

**Transfers:**

Transfers report the nonreciprocal contribution of resources from one fund to another. They represent funding for capital projects, debt service payments and subsidies of various Agency operations. The following is a summary of transfers for the year ended December 31, 2014:

<u>Transfers in:</u>	<u>Transfers out:</u>	<u>Amount</u>
Other Governmental Funds	Other Governmental Funds	\$ 597
	Other Enterprise Funds	<u>5,464</u>
		<u>6,061</u>
County Housing Choice Vouchers Enterprise Fund	Other Enterprise Funds	28
County AMP 5 Enterprise Fund	Other Governmental Funds	58
City AMP 3 Enterprise Fund	County Housing Choice Vouchers Enterprise Fund-Capital Contribution	6
	Other Governmental Funds	111
	Other Enterprise Funds	175
	Other Enterprise Funds-Capital Contribution	<u>11</u>
		<u>303</u>
Other Enterprise Funds	Other Governmental Funds	862
	City AMP 3 Enterprise Fund-Capital Contribution	989
	Other Enterprise Funds-Capital Contribution	<u>63</u>
		<u>1,914</u>
Internal Service Funds	County Housing Successor	115
	Other Governmental Funds	1,003
	Internal Service Funds	<u>530</u>
		<u>1,648</u>
Total Transfers		<u>\$ 10,012</u>

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended December 31, 2014**  
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**F. Long-Term Debt**

Long-term debt payable at December 31, 2014 for the Agency and component units is comprised of the following individual issues:

<u>Governmental activities – Notes Payable:</u>	<u>Interest Rates</u>	<u>Balance Dec. 31, 2014</u>
City B-97-MC-06-0003	5.28% - 5.46%	\$ 590
City B-97-MC-06-0003	5.70% - 6.67%	1,660
City B-06-MC-06-0003	4.96% - 5.77%	4,047
*CHFA-Phoenix Park	3.00%	829
*801 12 <sup>th</sup> Street Bank of America	5.18%	<u>10,134</u>
Total Governmental activities notes payable		<u>17,260</u>
 <u>Business-type activities – Mortgage Notes Payable:</u>		
County Public Housing (AMP 3) – City of Citrus Heights (HCD)	1.00%	1,000
County Public Housing (AMP 3) – City of Citrus Heights (HTF)	0.00%	1,173
San Jose/Broadway	8.38%	<u>287</u>
Total business-type activities		<u>2,460</u>
 <u>Component unit activities – Bonds and Notes Payable:</u>		
SHDC - Riverview Plaza Associates	3.00%	933
Shasta Hotel Corporation (HCD)	3.00%	<u>2,000</u>
Total component unit activities bonds and notes payable		<u>2,933</u>
 <u>Other Debt:</u>		
Component unit activities - Accrued interest due in future years		<u>1,992</u>
Total long-term debt		<u>\$24,645</u>

\* Capital-related debts

**GOVERNMENTAL ACTIVITIES:**

<u>Notes Payable:</u>	<u>Amount</u>
\$2,320 Community Development Block Grant Note Payable authorized and issued September 3, 1998, due in installments of \$80 to \$155 from August 1999 through August 2018 with interest payable semiannually at 5.28% to 5.46% for the purpose of financing the Del Paso Nuevo project. This note is collateralized by and payable from future CDBG entitlements.	\$590
\$3,125 Community Development Block Grant Note Payable authorized and issued August 9, 2001, due in installments of \$85 to \$300 from February 2002 through August 2021 with interest payable semiannually at 5.70% to 6.67% for the purpose of financing the Del Paso Nuevo project. This note is collateralized by and payable from future CDBG entitlements.	1,660
\$5,500 Community Development Block Grant Note Payable authorized and issued September 14, 2006, due in installments of \$146 to \$461 from February 2007 through August 2026 with interest payable semiannually at 4.96% to 5.77% for the purpose of financing the Globe Mills project. This note is collateralized by and payable from the City Redevelopment Successor Agency.	4,047

**Sacramento Housing and Redevelopment Agency**  
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<b><u>Notes Payable (continued):</u></b>	<b><u>Amount</u></b>
\$1,500 California Housing Finance Agency Note Payable authorized and issued January 2003. Interest accrues annually at 3.00% on funds drawn for the purpose of acquisition of properties in the Phoenix Park project. The terms of the agreement were amended on October 16, 2012 to extend the time to repay the entire unpaid balance to January 31, 2016.	\$829
\$13,000 Bank of America Note Payable authorized and issued June 2008, due in installments of \$87 from July 2008 through June 2028 with interest payable monthly at 5.18% for the purpose of financing the Agency's administration building at 801 12th street.	<u>10,134</u>
Total notes payable	17,260
Less current portion	<u>(1,879)</u>
Total notes payable, long-term	<u>\$15,381</u>

**BUSINESS-TYPE ACTIVITIES**

<b><u>Mortgage Notes Payable:</u></b>	<b><u>Amount</u></b>
\$1 million County Public Housing (AMP 3) Note Payable to the City of Citrus Heights (California Housing and Community Development Housing Trust Fund (HCD)). Loan Payments on the HCD Loan shall equal 75% of project residual receipts, but only to the extent that the project has excess cash flow. One percent (1.00%) simple interest shall accrue on the HCD Loan. The HCD Loan shall be for a term of thirty (30) years. There is no amortization requirement on the HCD loan other than the repayment of residual receipts as noted above. Any remaining balance shall be forgiven on the thirtieth (30th) anniversary from the Effective Date of September 2009. This loan is to significantly rehabilitate and provide security improvements to two county public housing developments.	\$1,000
\$1.2 million County Public Housing (AMP 3) Note Payable to the City of Citrus Heights (Housing Trust Fund). The loan shall be for a term of fifty-five (55) years with no interest. Provided that the loan is not in default, no repayment is due to the lender. The remaining balance shall be forgiven on the fifty-fifth (55 <sup>th</sup> ) anniversary of the Effective Date of September 2009. This loan is to significantly rehabilitate and provide security improvements to two county public housing developments.	1,173
\$787 San Jose/Broadway Mortgage Note Payable authorized and issued May 1984, due in monthly installments of \$6 through February 2020 with interest payable monthly at 8.38%. This note is collateralized by land and building.	<u>287</u>
Total notes payable	2,460
Less current portion	<u>(47)</u>
Mortgage notes payable, long-term	<u>\$2,413</u>

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended December 31, 2014**  
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COMPONENT UNITS:

<b><u>Bonds and Notes Payable:</u></b>	<u>Amount</u>
\$933 SHDC Riverview Plaza Associates Mortgage Note Payable authorized and issued October 1988, principal and interest due in full September 2016 with interest payable at 3.00%, for the purpose of financing the construction of multiple unit housing. This note is collateralized by land and building.	\$933
\$2,000 Shasta Hotel Corporation Note Payable to the Department of Housing and Community Development principal and interest due in full March 2043 with interest payable at 3.00%, for the purpose of financing the construction of a multiple single room occupancy unit. This note is collateralized by land and building.	<u>2,000</u>
Total bonds and notes payable	2,933
Less current portion	<u>(0)</u>
Total bonds and notes payable, long-term	<u>\$2,933</u>
<b><u>Other Long-Term Obligations:</u></b>	
Accrued interest on \$933 SHDC Riverview Plaza Associates mortgage notes payable from available surplus cash. Due in full in September 2016.	\$728
Accrued interest on \$2,000 Shasta Hotel Corporation mortgage notes payable from available surplus cash. Due in full January 2043.	<u>1,264</u>
Total other long-term obligations	<u>\$ 1,992</u>

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
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The following is a summary of changes in long-term liabilities for the fiscal year ended December 31, 2014:

	January 1, 2014	Additions	Retirements	December 31, 2014	Amounts Due Within One Year
<b>Governmental activities:</b>					
Notes payable	\$ 18,379	\$ -	\$ (1,119)	\$ 17,260	\$ 1,879
Pollution remediation	1,344	87	-	1,431	-
Compensated absences	2,442	1,568	(1,424)	2,586	1,637
Total governmental activities					
-long-term liabilities	<u>\$ 22,165</u>	<u>\$ 1,655</u>	<u>\$ (2,543)</u>	<u>\$ 21,277</u>	<u>\$ 3,516</u>
	January 1, 2014	Additions	Retirements	December 31, 2014	Amounts Due Within One Year
<b>Business-type activities:</b>					
Notes payable	<u>\$ 2,503</u>	<u>\$ -</u>	<u>\$ (43)</u>	<u>\$ 2,460</u>	<u>\$ 47</u>
<b>Component unit activities:</b>					
Bonds and notes payable	\$ 2,933 *	\$ -	\$ -	\$ 2,933	\$ -
Other long-term obligations	1,904 *	88	-	1,992	-
Total component unit activities					
-long-term liabilities	<u>\$ 4,837</u>	<u>\$ 88</u>	<u>\$ -</u>	<u>\$ 4,925</u>	<u>\$ -</u>

\*The January 1 component unit balance decreased \$26,225 due to the following restatements: The Phoenix Park I L.P. bonds and notes payable balance was restated by \$7,680, the Phoenix Park II L.P. bonds and notes payable balance was restated by \$16,687 and the Washington Plaza L.P. was restated by \$105. The Phoenix Park I L.P. other long-term obligations balance was restated by \$36 and the Phoenix Park II L.P. other long-term obligations balance was restated by \$1,717. Refer to Note IV. E concerning the restatement.

Annual debt service requirements of governmental activities to maturity are as follows:

<u>Year ending December 31</u>	<u>Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2015	\$ 1,879	\$ 819
2016	1,201	747
2017	1,193	694
2018	1,251	640
2019	1,256	581
2020 - 2024	6,248	1,989
2025 - 2028	4,232	396
Totals	<u>\$ 17,260</u>	<u>\$ 5,866</u>

**Sacramento Housing and Redevelopment Agency**  
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Annual debt service requirements of business-type activities to maturity are as follows:

<u>Year ending December 31</u>	<u>Mortgage Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2015	\$ 47	\$ 22
2016	51	18
2017	56	14
2018	61	9
2019	66	3
2020 - 2024	6	-
2025 - 2029	-	-
2030 - 2034	-	-
2035 - 2039	1,000	-
2040 - 2044	-	-
2045 - 2049	-	-
2050 - 2054	-	-
2055 - 2059	-	-
2060 - 2064	1,173	-
Totals	<u>\$ 2,460</u>	<u>\$ 66</u>

Annual debt service requirements of component unit activities to maturity are as follows:

<u>Year ending December 31</u>	<u>Bonds and Notes Payable</u>		<u>Other Long-term Obligations</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ -	\$ -	\$ -	\$ -
2016	933	783	-	728
2017	-	-	-	-
2018	-	-	-	-
2019	-	-	-	-
2020 - 2024	-	-	-	-
2025 - 2029	-	-	-	-
2030 - 2034	-	-	-	-
2035 - 2039	-	-	-	-
2040 - 2044	2,000	3,000	-	1,264
Total	<u>\$ 2,933</u>	<u>\$ 3,783</u>	<u>\$ -</u>	<u>\$ 1,992</u>

**Pollution Remediation Obligations**

The Agency has obligated itself to commence environmental assessment and remediation activities on three projects. The nature and source of pollutants on these projects are petroleum and metals including arsenic, cadmium and lead. The total estimated costs of \$1,431 for remediation of these projects were derived by environmental remediation consultants. These estimates may change resulting from the Sacramento County Environmental Management Department (SCEMD) input and also from price increases or reductions. There are no estimated recoveries to reduce the cost of remediation. The estimated costs are recorded as long-term liabilities on the governmental activities statement of net position.

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
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**Pledged Revenues**

The Agency pledged a portion of future Community Development Block Grant (CDBG) entitlement and program income revenues to repay all Section 108 notes payable (City B-97-MC-06-0003 and City B-06-MC-06-0003). The Section 108 notes are payable from CDBG and Redevelopment Agency Successor Agency (RASA) fund revenues through August 2026. The RASA is reimbursing the Agency for the Globe Mills loan as this was located in the old redevelopment areas. CDBG entitlement funds will still back these loan payments in the event the RASA ends the reimbursement. As of December 31, 2014, the total remaining principal and interest on the notes was \$8,167. For the current year, principal and interest paid from CDBG entitlement funds was \$345, and the RASA contributed \$457. CDBG revenue was \$8,565. Detailed information on the Section 108 notes begins on page 57.

**IV. Other Information**

**A. Risk Management**

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries and illnesses of employees; wrongful employment practices; and natural disasters. The Agency maintains an internal service fund to account for and finance its risks of loss. Under these programs the Agency maintains a deductible for the following risks up to the maximum amount per claim as follows: general liability, \$25; property, \$50; auto liability, \$0; and employment practice liability, \$50.

For general liability, the Agency covers the first \$25 per claim. Excess liability coverage is obtained from a national housing authority insurance pool and is provided through the pool up to \$5,000 for each occurrence. Settled claims have not exceeded this commercial coverage in any of the past ten years.

For property, the Agency covers the first \$50 per claim. Excess property coverage is obtained from a national housing authority insurance pool and covers up to maximum limit of \$100,000 per occurrence. Settled claims have not exceeded this commercial coverage in any of the past ten years.

For automotive insurance the Agency obtains automotive liability coverage from a national housing authority insurance group up to \$5,000. The insurance group contracts with Travelers for auto physical damage and collision. The Agency covers the first five hundred dollars per claim on the collision.

For this policy year, the Agency has purchased employment liability insurance from Arthur Gallagher Insurance Brokers. The policy provides a maximum of \$2 million per occurrence/aggregate per policy year with a \$50 retention/deductible for indemnifiable claims. Workers compensation insurance is provided through California Housing Workers Compensation Authority (CHWCA), a risk sharing pool. For worker's compensation claims, the pool covers the Agency's claims within the statutory limit. Should actual losses among participants be greater than anticipated, the Agency will be assessed its pro rata share per that deficiency. Conversely, if the actual losses are less than anticipated, the Agency will be refunded its pro rata share of the excess.

The operating funds no longer make contributions to the internal service fund based on historical cost and/or actuarial estimates of amounts needed to pay prior and current year claims. The accrued amount in the Self Insurance internal service fund will remain as a reserve for future catastrophic claims that cannot be paid by a single department.

**Sacramento Housing and Redevelopment Agency**  
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Claim estimates were made in accordance with the requirements of Governmental Accounting Standards Board Statement Nos.10 and 30, and include claims incurred but not reported and allocated loss adjustment expenses as of December 31. Changes in the Self Insurance fund claims liability during the years ended December 31, 2014 and 2013 were as follows:

	Claims Liability January 1	Current Year Claims and Changes in Estimates	Current Year Claims Payments	Claims Liability December 31
2013	\$ 301	\$ 2	\$ (2)	\$ 301
2014	301	3	(3)	301

**B. Employee Retirement Plan**

**1. Plan Description**

The Agency contributes to the California Public Employees’ Retirement System (CalPERS), an agent multiple-employer public employee defined benefit pension plan that acts as a common investment and administrative agent for participating public entities within the state of California. The Agency’s defined benefit pension plan, the Agency miscellaneous plan, provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. The Agency’s miscellaneous plan is part of the public agency portion of CalPERS.

All current and new employees are covered by the CalPERS plans in accordance with the California Public Employees Pension Reform Act of 2013. All employees that are not “new members” under the California Public Employees Pension Reform Act of 2013 (“PEPRA”) are part of the 2% at 55 CalPERS retirement formula. Accordingly, all new employees hired on or after January 1, 2013, who are considered “new members” under the PEPRA are part of the 2% at 62 CalPERS retirement formula described in PEPRA. In addition, “new members” are subject to the equal sharing and contribution requirements of California Government Code Section 7522.30(a) and (c) and must pay at least 50% of the normal costs of their pension benefit.

All full-time Agency employees are required to participate in CalPERS. Benefits for employees who are not “new members” vest after five years of credited service. Employees who retire at or after age 50 with five years of credited service are entitled to an annual retirement benefit payable monthly for life, in an amount equal to 1.426% to 2.418% of their average salary, during their highest year of employment, for each year of credited service. Benefits for “new members” vest after five years of credited service. New members who retire at or after age 52 with five years of credited service are entitled to an annual retirement benefit payable monthly for life, in an amount equal to 1.0% to 2.5% of their average salary, during the highest three years of employment, for each year of credited service. These benefit provisions and all other requirements are established by state statute within the Public Employees’ Retirement Law and Agency resolution. CalPERS issues a separate comprehensive annual financial report.

Copies of the CalPERS’ annual financial report may be obtained from the CalPERS Executive Office – 400 P Street – Sacramento, CA 95814. A separate report for the Agency’s plan is not available.

**2. Funding Policy and Funding Progress**

The Agency participated in two plans with CalPERS under the names of the Sacramento Housing Authority (SHA) and the Redevelopment Agency of the City of Sacramento (RACS). The first plan covered employees hired after 1974; the second plan covered employees hired prior to 1974. The plans merged effective July 1, 2001. Agency employees are required to contribute 7.0% of their annual salary to CalPERS, of which the Agency pays 50% to 57% of this amount on the employee’s behalf depending on requirements set forth under contractual agreements with employee groups. The Agency is also required to contribute the remaining amounts necessary to fund the benefits for its members, using the market basis recommended by the

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
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CalPERS actuaries and actuarial consultants and adopted by the CalPERS Board of Administration. Contribution rates are determined as a percentage of covered payroll. The Agency's required employer contribution rate for January 1 through June 30, 2014 was 14.532% and for July 1 through December 31, 2014 was 17.433%. The contribution requirements of the plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS. The funding progress of the plan as of the most recent actuarial valuation is presented in the table below.

**Schedule of Funding Progress - Pension**

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>
		Entry Age	Unfunded			Unfunded
Actuarial	Actuarial	Actuarial	Actuarial	Funded		Actuarial
Valuation	Value of	Accrued	Accrued	Ratio	Covered	Liability as
Date	Assets	Liability	Liability	[A / B]	Payroll	Percentage of
			[B - A]			Covered Payroll
						[(B - A) / E]
6/30/2013	\$ 102,468	\$ 133,426	\$ 30,958	76.80%	\$ 12,445	248.76%

The schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multi-year trend information about whether the market value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**3. Annual Pension Cost**

For the year ended December 31, 2014, the Agency's annual pension cost of \$1,773 was equal to the Agency's required and actual contributions. The required contribution for the year ended December 31, 2014 was determined as part of the June 30, 2012 and 2011 actuarial valuations using the entry age normal cost method with the contributions determined as a percentage of covered payroll. The actuarial assumptions in the June 30, 2013, 2012 and 2011 actuarial valuations included (a) 7.5% investment rate of return, (net of administrative expenses) and (b) projected salary increases of 3.30% to 14.20% which are attributable to inflation, merit, or seniority increases that vary by length of service and no post-retirement increases. Both (a) and (b) include an inflation component of 2.75% and an annual production growth of 0.25%. The actuarial value of the plan's assets was determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a fifteen year period depending on the size of investments gains and/or losses. The amortization period on the unfunded actuarial liability is expected to be 20 years and is a closed period. The amortization method is a level percentage of projected payroll.

<u>Year Ending</u>	<u>Annual Pension</u>	<u>Percentage of</u>	<u>Net Pension</u>
	<u>Cost (APC)</u>	<u>APC Contributed</u>	<u>Obligation</u>
12/31/2012	\$ 1,711	100%	\$ -
12/31/2013	1,642	100%	-
12/31/2014	1,773	100%	-

**Sacramento Housing and Redevelopment Agency**  
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**C. Postemployment Health Benefits**

**1. Plan Description**

The Agency’s defined benefit postemployment healthcare plan, provides premium coverage for medical and dental benefits to eligible retired agency employees and their families up to a maximum that depends on the participant’s unit and/or coverage level. The Agency established an irrevocable trust to prefund the other post employment benefits annual required contribution through the California Employer’s Retiree Benefit Trust Program (CERBT). The funds in the CERBT are held in trust and administered by the California Public Employees’ Retirement System (CalPERS) as an agent multiple-employer plan (plan). Benefit provisions are established and may be amended by Agency labor agreements which are approved by the City Council and County Board of Supervisors. The Agency’s Other Postemployment Benefits (OPEB) plan financial statements are included in the CalPERS CAFR. Copies of the CalPERS’ CAFR may be obtained from the CalPERS Executive Office – 400 P Street – Sacramento, CA 95814.

The Agency provides allowances for health benefits for all employees who retire from the Agency and for their survivors and dependents. Participants have the choice of enrolling in one of several health plans and one of two dental plans. Postemployment health benefits for the Agency range from \$360 to \$605 (in actual dollars, not thousands) per month per participant, depending on the participant’s job classification at the time of retirement. The Agency covers the participant’s health and dental benefits under these plans up to the allotted benefit allowance.

The maximum allowances are shown in the following table:

Unit	Maximum Premium Coverage: Current Retirees
1 & 2	\$605/month
3 & 4	\$585/month
5	\$430/month
6	\$360/month

Coverage level for current retirees is set and assumed not to increase. Coverage continues at the participant’s level for the spouse and any eligible dependents after the participant’s death.

**2. Funding Policy**

The obligation of the Agency to contribute to the plan is established and may be amended by the City Council and County Board of Supervisors.

Employees are not required to contribute to the plan. The Agency is required to contribute the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. In order to provide adequate funding for post retirement medical benefits, the Agency consistently contributes the full ARC to the CERBT fund and has periodically paid additional amounts into the CERBT when available. Further, the Agency has not yet elected to use the CERBT to pay current retiree benefits but instead pays current retiree costs directly. The Agency may elect to change this process in future years. The current ARC rate is 7.6% of annual covered payroll.

**Sacramento Housing and Redevelopment Agency**  
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**3. Annual OPEB Cost and Net OPEB Asset**

For the year ended December 31, 2014, the Agency's annual OPEB cost (expense) was \$979. The Agency's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset for the last three years were as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Asset
12/31/2012	\$ 1,018	135%	\$ 5,600
12/31/2013	983	228%	6,857
12/31/2014	979	114%	6,997

The following table shows the components of the Agency's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the Agency's net OPEB asset for the Retiree Health Plan:

Annual required contribution	\$ 913
Interest on net OPEB asset	(514)
Adjustment to annual required contribution	580
Annual OPEB cost (expense)	<u>979</u>
Contributions made	<u>(1,119)</u>
Increase in net OPEB asset	(140)
Net OPEB asset-beginning of year	<u>(6,857)</u>
Net OPEB asset-end of year	<u><u>\$ (6,997)</u></u>

**4. Funded Status and Funding Progress**

The funded status of the plan as of June 30, 2013, was as follows:

Actuarial accrued liability (AAL)	\$ 15,687
Actuarial value of plan assets	<u>8,727</u>
Unfunded actuarial accrued liability (UAAL)	<u><u>\$ 6,960</u></u>
Funded ratio (actuarial value of plan assets/AAL)	55.63%
Covered payroll (active plan members)	\$ 12,255
UAAL as a percentage of covered payroll	56.79%

**Sacramento Housing and Redevelopment Agency**  
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Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

#### **5. Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2013 actuarial valuation, the entry age normal cost, level percent of pay method was used. The actuarial assumptions utilized a 3.0% inflation rate, a 7.5% investment rate of return, (net of administrative expenses) and an annual blended healthcare cost trend rate of 8.5% beginning in 2015, reduced by decrements to an ultimate rate of 4.64% for years 2025 and later. The June 30, 2013 actuarial valuation was used for the calculation of the ARC for the year ended December 31, 2014.

The minimum required contribution and dental premiums are each assumed to increase annually by 4.5%. The UAAL is being amortized as a level percentage of payroll each year over the employees career. The Entry Age Normal (EAN) cost method spreads plan costs for each participant from entry date to the expected retirement date. Under the EAN cost method the plan's normal cost is developed as a level amount over the participants' working lifetime. The AAL is the cumulative value, on the valuation date, of prior service costs. For retirees, the AAL is the present value of all projected benefits.

The ARC under this method equals the normal cost plus the amortization of the unfunded AAL over a thirty (30) year period. The Plan costs are derived by making certain specific assumptions as to the rates of interest, mortality, turnover, and the like, which are assumed to hold for many years into the future. Actual experience may differ somewhat from the assumptions and the effect of such differences is spread over all periods. Due to these differences, the costs determined by the valuation must be regarded as estimates of the true Plan costs.

#### **D. Commitments and Contingencies**

##### **1. Mortgage Insured Bonds**

The City and the County of Sacramento, between 1980 and 2014, issued multifamily mortgage bonds totaling \$927,014. The bonds were issued to provide funds for the purchase of home mortgages in the Sacramento County area. The Agency was appointed by the City and the County of Sacramento to administer the mortgage revenue bond program. As a public entity, the Agency can issue tax-exempt bonds, the proceeds of which can provide acquisition, construction, and permanent financing for multi-family housing projects. Interest paid on the bonds is exempt from federal and state income tax, so bondholders will accept a below-market yield from the bonds. These savings are, in turn, passed on to the project owner in the form of a below-market rate loan, with interest rates approximately one to two percent below prevailing market rates. As a conduit issuer, the bonds do not constitute a liability of the Agency, but are instead secured solely by the project financed with the bonds.

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

**2. Litigation**

The Agency is a defendant in various matters of litigation. Of these matters, management and the Agency's legal counsel do not anticipate any material effect to the December 31, 2014 financial statements if there was an unfavorable outcome against the Agency as a result of the litigation.

**3. Contractual Obligations**

At December 31, 2014, the outstanding contractual obligations for the Agency's governmental activities are as follows:

	Encumbrances
City HOME	\$ 6,597
County HOME	1,700
City Housing Successor	6,913
County Housing Successor	62
Other Governmental Funds	12,088
Total	\$ 27,360

These obligations are primarily for housing project site improvements and structural rehabilitation. The encumbrances are included in the appropriate fund balance classification for the funding source with the exception of the funds that do not have a fund balance on the governmental funds balance sheet.

**4. Contingent Liabilities**

The Agency receives funding from a number of federal, state, and local assistance programs, comprised principally of Community Development Block Grants and Housing and Urban Development Housing Programs. These programs are subject to financial and compliance review by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Agency expects such amounts, if any, to be immaterial. Receipt of these federal, state, and local grant revenues is not assured in the future.

**Sacramento Housing and Redevelopment Agency**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

**E. Restatements**

Beginning net position for component unit activities was restated due to the elimination of Washington Plaza Housing Associates, L.P., Phoenix Park I L.P. and Phoenix Park II L.P. which the Agency has determined to not be component units of the Agency.

	Sacramento Housing Authority Repositioning Program, Inc.	Norwood Avenue Housing Corporation	Other Component units	Total Component Units
Net position at December 31, 2013, as previously reported	\$ 9,688	\$ 18,395	\$ 7,553	\$ 35,636
Adjustment due to elimination of Washington Plaza L.P. entries	(1,340)	-	-	(1,340)
Adjustment due to elimination of Phoenix Park I L.P. entries	-	(15,528)	-	(15,528)
Adjustment due to elimination of Phoenix Park II L.P. entries	-	(251)	-	(251)
Net position at December 31, 2013, as restated	<u>\$ 8,348</u>	<u>\$ 2,616</u>	<u>\$ 7,553</u>	<u>\$ 18,517</u>

Beginning net position for governmental and business-type activities were restated due to the reclassification of the Mortgage Revenue Bond Special Revenue fund, which the Agency determined would be more accurately presented as an enterprise fund.

	Governmental Activities	Business-type Activities	Total
Net position at December 31, 2013, as previously reported	\$ 353,740	\$ 192,561	\$ 546,301
Mortgage Revenue Bond fund reclassification	(10,988)	10,988	-
Net position at December 31, 2013, as restated	<u>\$ 342,752</u>	<u>\$ 203,549</u>	<u>\$ 546,301</u>

**Sacramento Housing and Redevelopment Agency**  
**Required Supplementary Information (Unaudited)**  
**For the Year Ended December 31, 2014**  
(dollar amounts expressed in thousands)

**Schedule of Funding Progress - Pension**

	A	B	C	D	E	F
Actuarial Valuation Date	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability [B - A]	Funded Ratio [A / B]	Covered Payroll	Unfunded Actuarial Liability as Percentage of Covered Payroll [(B - A) / E]
6/30/2011	\$ 109,386	\$ 124,977	\$ 15,591	87.50%	\$ 16,071	97.00%
6/30/2012	112,692	129,457	16,765	87.10%	13,422	124.91%
6/30/2013	102,468	133,426	30,958	76.80%	12,445	248.76%

**Schedule of Funding Progress - Other Postemployment Benefits**

	A	B	C	D	E	F
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL) [B - A]	Funded Ratio [A / B]	Covered Payroll	UAAL as Percentage of Covered Payroll [(B - A) / E]
1/01/2010	\$ 2,560	\$ 15,121	\$ 12,561	16.93%	\$ 12,727	98.70%
6/30/2011	6,913	14,928	8,015	46.31%	16,653	48.13%
6/30/2013	8,727	15,687	6,960	55.63%	12,255	56.79%

**Sacramento Housing and Redevelopment Agency  
Supplementary Information  
For the Year Ended December 31, 2014**

Below is the Schedule of Annual Contribution Contracts for Capital Fund Program (CFP), ROSS Public Housing Self Sufficiency (FSS), ROSS Service Coordinator (SC) Programs and Choice Neighborhoods Initiative (CNI) grant.

Project Number	Funds Approved	Funds Expended					Total Funds Expended	Balance of Funds Approved
		2010	2011	2012	2013	2014		
<b>City CFP:</b>								
CA30P00550110	\$ 3,600,644	\$ 179,037	\$ 943,390	\$ 1,503,507	\$ 878,163	\$ 96,547	\$ 3,600,644	\$ -
CA30P00550111	2,766,569	-	-	928,767	1,571,916	162,268	2,662,951	103,618
CA30P00550112	2,559,332	-	-	7,001	1,371,888	1,001,237	2,380,126	179,206
CA30P00550113 *	2,636,416	-	-	-	9,705	782,748	792,453	1,843,963
CA30P00550114 *	2,534,660	-	-	-	-	17,628	17,628	2,517,032
<b>Total City CFP</b>	<b>\$ 14,097,621</b>	<b>\$ 179,037</b>	<b>\$ 943,390</b>	<b>\$ 2,439,275</b>	<b>\$ 3,831,672</b>	<b>\$ 2,060,428</b>	<b>\$ 9,453,802</b>	<b>\$ 4,643,819</b>
<b>City ROSS Public Housing Family Self Sufficiency (FSS)</b>								
CA005RFS116A011	\$ 69,000	\$ -	\$ -	\$ 21,781	\$ 46,869	\$ 350	\$ 69,000	\$ -
CA005RFS159A012	69,000	-	-	-	-	56,698	56,698	12,302
<b>Total City ROSS</b>	<b>\$ 138,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,781</b>	<b>\$ 46,869</b>	<b>\$ 57,048</b>	<b>\$ 125,698</b>	<b>\$ 12,302</b>
<b>City ROSS Service Coordinator (SC)</b>								
CA005RPS273A011	\$ 480,000	\$ -	\$ 34,341	\$ 215,075	\$ 136,152	\$ 93,702	\$ 479,270	\$ 730
<b>County CFP:</b>								
CA30P00750110	\$ 1,882,271	\$ 193,659	\$ 851,322	\$ 568,432	\$ 268,858	\$ -	\$ 1,882,271	\$ -
CA30P00750111	1,554,066	-	111,154	556,856	780,752	95,929	1,544,691	9,375
CA30P00750112	1,438,555	-	-	55,080	1,079,519	297,126	1,431,725	6,830
CA30P00750113 *	1,382,203	-	-	-	71,510	795,687	867,197	515,006
CA30P00750114 *	1,420,898	-	-	-	-	88,989	88,989	1,331,909
<b>Total County CFP</b>	<b>\$ 7,677,993</b>	<b>\$ 193,659</b>	<b>\$ 962,476</b>	<b>\$ 1,180,368</b>	<b>\$ 2,200,639</b>	<b>\$ 1,277,731</b>	<b>\$ 5,814,873</b>	<b>\$ 1,863,120</b>
<b>County ROSS Public Housing Family Self Sufficiency (FSS)</b>								
CA007RFS174A011	\$ 69,000	\$ -	\$ -	\$ 5,602	\$ 49,018	\$ 14,380	\$ 69,000	\$ -
CA007RFS169A012	69,000	-	-	-	-	57,360	57,360	11,640
<b>Total County FSS</b>	<b>\$ 138,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,602</b>	<b>\$ 49,018</b>	<b>\$ 71,740</b>	<b>\$ 126,360</b>	<b>\$ 11,640</b>
<b>City Choice Neighborhood Initiative (CNI)</b>								
CA9G005CNP113	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 120,109	\$ 120,109	\$ 379,891
<b>County Choice Neighborhood Initiative (CNI)</b>								
CA9A007CNB111	\$ 300,000	\$ -	\$ -	\$ 93,166	\$ 205,787	\$ 1,047	\$ 300,000	\$ -

\* The following grants had accrued retention for CAFR presentation that is not included in the amounts above.

CA30P00550113	\$ 16,231
CA30P00550114	\$ 4,922
CA30P00750113	\$ 1,424
CA30P00750114	\$ 968



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D.C. 20410-5000

JUL 28 2014

OFFICE OF PUBLIC AND INDIAN HOUSING

Ms. La Shelle Dozier  
Executive Director  
Housing Authority of the County of Sacramento  
801 12<sup>th</sup> Street  
Sacramento, CA 95814-2947

RE: Preliminary Close-Out Approval Letter  
Choice Neighborhoods Planning Grant  
River District – Railyards neighborhood  
Grant Number: CA9A007CNB111

Dear Ms. Dozier:

Thank you for submitting your Termination of Disbursements Letter and Preliminary Close-Out Materials for the Housing Authority of the County of Sacramento's Choice Neighborhoods Planning Grant. In accordance with the Close-Out Procedures for Choice Neighborhoods Planning Grants, no additional Choice Neighborhoods funds may be disbursed, all Choice Neighborhoods funded activities are complete and your Choice Neighborhoods Planning Grant has been preliminarily closed. The following actions have been taken:

1) In accordance with your Termination of Disbursements letter, a Pre-Audit Date concurrent with the date of this letter has been entered into LOCCS, stopping any further disbursements from LOCCS.

2) The final Choice Neighborhoods Planning Budget is the same as the one submitted by the Housing Authority of the County of Sacramento and approved by HUD on May 9, 2014. A copy is enclosed for your files.

3) The Actual Choice Neighborhoods Planning Cost Certificate (AHCC) and the Financial Status Report have been reviewed and the AHCC has been preliminarily approved for audit. The original AHCC is enclosed.

Each grantee is required to conduct an audit of the Choice Neighborhoods Planning grant in accordance with the requirements of either 24 CFR part 84 or 24 CFR part 85. You may now initiate this audit. The audit must be made by an independent auditor in accordance with generally accepted government auditing standards covering financial audits. The audit may be conducted separately or as part of an agency-wide audit. However, if conducted as part of an agency-wide audit, the Choice Neighborhoods Planning Grant portion of the audit must be reported separately. When contracting for an auditor, the grantee should require that statements

of actual Choice Neighborhoods Planning Grant costs, certified by the grantee and submitted to HUD during the audit period, be included in the auditor's scope of work and attached as supplemental information to the audit report. The grantee must ensure that the auditor has the AHCC for review. Unless the auditor states otherwise in the audit report, the grantee certified costs will be considered acceptable by HUD.

Once completed, the grantee must submit a copy of the audit and the original AHCC to the Choice Neighborhoods Team Coordinator. The Team Coordinator will review the audit report to determine if any findings have been identified with respect to the Choice Neighborhoods Planning Grant funds. Once the Team Coordinator has completed his/her review and any audit findings have been resolved, the Choice Neighborhoods Director will sign the AHCC and return the original, along with a copy of the audit, to this office. Upon final determination that: 1) the expenditure of grant funds was allowable; 2) the activities to be completed using Choice Neighborhoods Planning Grant funds were completed as required by the Grant Agreement; and 3) all Federal requirements were satisfied, the grant will be officially closed. Any unspent funds will be recaptured by HUD.

Please be reminded that the grantee must abide by any continuing federal requirements, including the submittal of the Quarterly Report through the quarter that it receives OPHI's Preliminary Close-Out Approval Letter.

Thank you for your participation in the Choice Neighborhoods Planning Grant Program and your commitment to the transformation of distressed neighborhoods. We hope that you continue to be involved with the Choice Neighborhoods community and take advantage of the relationships you have developed. Further, we invite you to continue to participate in the Choice Neighborhoods webinars, newsletters, and other resources that are available.

If you have any questions, please contact Jessica Rosenberg at (202) 402-5940.

Sincerely,



Mindy Turbov  
Director, Choice Neighborhoods Program  
Office of Public Housing Investments

Enclosures

**Actual HOPE VI  
Cost Certificate**

**U.S. Department of Housing  
and Urban Development**  
Office of Public and Indian Housing

OMB Approval No. 2577-0208  
(exp. 9/30/2014)

Public reporting burden for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number. This collection of information requires that each Grantee submit information to enable HUD to initiate the fiscal closeout process. The information will be used by HUD to determine whether the HOPE VI grant is ready to be audited and closed out. The information is essential for audit verification and fiscal close out. Responses to the collection are required by the HOPE VI Grant Agreement. The information requested does not lend itself to confidentiality.

Grantee Name Housing Authority of the County of Sacramento	HOPE VI Grant Number CA9A007CNB111
---	---------------------------------------

The Grantee hereby certifies to the Department of Housing and Urban Development as follows:

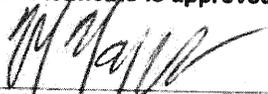
1. That the Actual Program Cost of the HOPE VI Grant is as shown below:

A. Original Funds Approved	\$	300,000.00
B. Funds Disbursed	\$	300,000.00
C. Funds Expended (Actual Program Cost)	\$	300,000.00
D. Amount to be Recaptured (A-C)	\$	0.00
E. Excess of Funds Disbursed (B-C)	\$	0.00

- That all work in connection with the HOPE VI Grant has been completed;
- That the entire Actual Program Cost or liabilities therefor incurred by the Grantee have been fully paid;
- That there are no undischarged mechanics', laborers', contractors', or materialmen's liens against such Program work on file in any public office where the same should be filed in order to be valid against such Program work; and
- That the time in which such liens could be filed has expired.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.  
**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Signature of Executive Director 	Date (mm/dd/yyyy) 07/10/2014
--	---------------------------------

<b>For HUD Use Only</b>	The Cost Certificate is approved for audit (signature of approving official)  For Mindy Turban, Director of Choice Neighborhoods	Date (mm/dd/yyyy) 7/28/2014
	The audited costs agree with the costs shown above Verified (signature)	Date (mm/dd/yyyy)
	Approved (signature)	Date (mm/dd/yyyy)

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*Nonmajor  
Governmental  
Funds*

Sacramento Housing and Redevelopment Agency  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2014  
(amounts expressed in thousands)

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
<b>Assets</b>				
Cash and investments	\$ 21,051	\$ 93	\$ 3,408	\$ 24,552
Accounts receivable	141	-	-	141
Due from other funds	679	-	-	679
Due from other governments	6,792	-	424	7,216
Notes receivable (net)	92,565	-	-	92,565
Advances to other funds	3,851	-	-	3,851
Restricted cash and investments	128	-	-	128
<b>Total assets</b>	<u>\$ 125,207</u>	<u>\$ 93</u>	<u>\$ 3,832</u>	<u>\$ 129,132</u>
<b>Liabilities</b>				
Accounts payable	\$ 1,416	\$ -	\$ 115	\$ 1,531
Accrued liabilities	36	-	5	41
Contracts payable	-	-	23	23
Due to other funds	1,556	-	285	1,841
Due to other governments	157	-	-	157
Unearned revenue	570	-	-	570
Deposit and trust liability	125	-	-	125
Advances from other funds	3,319	-	-	3,319
<b>Total liabilities</b>	<u>7,179</u>	<u>-</u>	<u>428</u>	<u>7,607</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	<u>33,002</u>	<u>-</u>	<u>179</u>	<u>33,181</u>
<b>Fund Balances (Deficits)</b>				
Restricted for:				
Debt service	3	93	-	96
Housing	69,669	-	3,227	72,896
Community development	17,507	-	-	17,507
Community services	127	-	-	127
Assigned for:				
Community development	-	-	177	177
Unassigned	(2,280)	-	(179)	(2,459)
<b>Total fund balances</b>	<u>85,026</u>	<u>93</u>	<u>3,225</u>	<u>88,344</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 125,207</u>	<u>\$ 93</u>	<u>\$ 3,832</u>	<u>\$ 129,132</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Intergovernmental	\$ 15,620	\$ -	\$ 3,195	\$ 18,815
Charges for services	8	-	-	8
Investment earnings	1,986	1	30	2,017
Miscellaneous	3,782	-	-	3,782
Total revenues	<u>21,396</u>	<u>1</u>	<u>3,225</u>	<u>24,622</u>
<b>Expenditures:</b>				
Current:				
Housing operations	2,197	-	794	2,991
Community development	10,739	-	1	10,740
Community social services	3,745	-	-	3,745
Capital outlay	141	-	1,567	1,708
Debt service:				
Principal retirement	-	392	-	392
Interest	-	93	-	93
Total expenditures	<u>16,822</u>	<u>485</u>	<u>2,362</u>	<u>19,669</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,574</u>	<u>(484)</u>	<u>863</u>	<u>4,953</u>
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	206	-	-	206
Transfers in	5,716	345	-	6,061
Transfers out	(1,630)	-	(1,001)	(2,631)
Total other financing sources (uses)	<u>4,292</u>	<u>345</u>	<u>(1,001)</u>	<u>3,636</u>
Net change in fund balances	8,866	(139)	(138)	8,589
Fund balances, beginning	76,160	232	3,363	79,755
Fund balances, ending	<u>\$ 85,026</u>	<u>\$ 93</u>	<u>\$ 3,225</u>	<u>\$ 88,344</u>

## *Nonmajor Special Revenue Funds*

Special revenue funds account for specific financial resources (other than for major capital projects) that are legally restricted to expenditure for specific purposes.

- ◆ **Housing funds** are used to account for a variety of federal, state and local housing programs that provide public housing assistance for low and moderate income households within the City and County.
- ◆ **Community Development Funds** are used to account for a variety of specific community programs funded by the federal government.
- ◆ **Community Services Funds** are used to account for activity associated with social services such as homelessness, mental health and special needs housing.
- ◆ **Local Tax Funds** are used to account for payments in lieu of taxes. Revenues from the City and County Public Housing Funds are used to fund community service activities.

**Sacramento Housing and Redevelopment Agency**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Housing</u>	<u>Community Development</u>	<u>Community Services</u>	<u>Local Tax</u>	<u>Total</u>
<b>Assets</b>					
Cash and investments	\$ 15,180	\$ 5,670	\$ 79	\$ 122	\$ 21,051
Accounts receivable	95	31	15	-	141
Due from other funds	489	190	-	-	679
Due from other governments	14	5,070	1,708	-	6,792
Notes receivable (net)	53,708	38,857	-	-	92,565
Advances to other funds	1,525	2,326	-	-	3,851
Restricted cash and investments	80	48	-	-	128
<b>Total assets</b>	<u>\$ 71,091</u>	<u>\$ 52,192</u>	<u>\$ 1,802</u>	<u>\$ 122</u>	<u>\$ 125,207</u>
<b>Liabilities</b>					
Accounts payable	\$ 40	\$ 1,000	\$ 376	\$ -	\$ 1,416
Accrued liabilities	8	28	-	-	36
Due to other funds	9	252	1,295	-	1,556
Due to other governments	-	31	126	-	157
Unearned revenue	-	570	-	-	570
Deposit and trust liability	80	45	-	-	125
Advances from other funds	1,285	2,034	-	-	3,319
<b>Total liabilities</b>	<u>1,422</u>	<u>3,960</u>	<u>1,797</u>	<u>-</u>	<u>7,179</u>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue	-	33,002	-	-	33,002
<b>Fund Balances (Deficits)</b>					
Restricted for:					
Debt service	-	3	-	-	3
Housing	69,669	-	-	-	69,669
Community development	-	17,507	-	-	17,507
Community services	-	-	5	122	127
Unassigned	-	(2,280)	-	-	(2,280)
<b>Total fund balances</b>	<u>69,669</u>	<u>15,230</u>	<u>5</u>	<u>122</u>	<u>85,026</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 71,091</u>	<u>\$ 52,192</u>	<u>\$ 1,802</u>	<u>\$ 122</u>	<u>\$ 125,207</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Housing</u>	<u>Community Development</u>	<u>Community Services</u>	<u>Local Tax</u>	<u>Total</u>
<b>Revenues:</b>					
Intergovernmental	\$ 1,496	\$ 11,426	\$ 2,368	\$ 330	\$ 15,620
Charges for services	1	7	-	-	8
Investment earnings	1,752	233	-	1	1,986
Miscellaneous	67	3,715	-	-	3,782
Total revenues	<u>3,316</u>	<u>15,381</u>	<u>2,368</u>	<u>331</u>	<u>21,396</u>
<b>Expenditures:</b>					
Current:					
Housing operations	1,466	731	-	-	2,197
Community development	26	10,713	-	-	10,739
Community social services	2	1,411	2,010	322	3,745
Capital outlay	141	-	-	-	141
Total expenditures	<u>1,635</u>	<u>12,855</u>	<u>2,010</u>	<u>322</u>	<u>16,822</u>
Excess of revenues over expenditures	<u>1,681</u>	<u>2,526</u>	<u>358</u>	<u>9</u>	<u>4,574</u>
<b>Other financing sources (uses):</b>					
Proceeds from sale of capital assets	-	206	-	-	206
Transfers in	5,464	252	-	-	5,716
Transfers out	(30)	(1,600)	-	-	(1,630)
Total other financing sources (uses)	<u>5,434</u>	<u>(1,142)</u>	<u>-</u>	<u>-</u>	<u>4,292</u>
Net change in fund balances	7,115	1,384	358	9	8,866
Fund balances, beginning	62,554	13,846	(353)	113	76,160
Fund balances, ending	<u>\$ 69,669</u>	<u>\$ 15,230</u>	<u>\$ 5</u>	<u>\$ 122</u>	<u>\$ 85,026</u>

## *Nonmajor Housing Special Revenue Funds*

- ◆ **General Housing Reserve** acts as a clearing account for excess funding to go to housing authority programs requiring additional funding.
- ◆ **Local Housing Revenue** accounts for the receipt and use of rebates derived from various energy conservation programs and accounts for activities relating to the Ping Yuen Center.
- ◆ **City and County Public Housing Homeownership** accounts for the sale of single-family public housing units to eligible public housing residents in the City and County of Sacramento.
- ◆ **Riverview Plaza Reserve** acts as a clearing account for excess funding to go to Riverview Plaza activities and other housing programs.
- ◆ **Foundation Uniting Needs and Dollars (FUND), Inc.** accounts for the fundraising activities of the Agency.
- ◆ **City and County State/Local Housing Grant** is used to account for the receipt of grants from sources outside of the housing authority and the expenditures associated with those grants.
- ◆ **City and County Ross Public Housing FSS Grant** is used to fund the project coordinator who administers the activities of residents in the Family Self Sufficiency program.
- ◆ **City ROSS Service Coordinator** provides for a Service Coordinator to coordinate supportive services and other activities designed to help Public and Indian housing residents attain economic and housing self-sufficiency.
- ◆ **City and County CNI Planning Grants** account for development and implementation of a comprehensive neighborhood revitalization strategy for public and/or assisted housing units, while simultaneously directing the transformation of the surrounding neighborhood.
- ◆ **City and County Housing Trust and State Local Housing Trust** accounts for the acquisition, rehabilitation and development of low-income housing funded by local developer fees.
- ◆ **City Inclusionary and County Affordable Housing Programs** account for in-lieu and affordability fees paid by developers. Sacramento County's Affordable Housing Ordinance requires new residential projects of five or more dwelling units to provide an affordable housing component of not less than 15 percent of the development project's dwelling units. Depending on such project parameters as size, a developer is given various options to meet the affordable housing obligation.

Sacramento Housing and Redevelopment Agency  
Combining Balance Sheet  
Nonmajor Housing Special Revenue Funds  
December 31, 2014  
(amounts expressed in thousands)

	General Housing Reserve	Local Housing Revenue	City Public Housing Homeownership	County Public Housing Homeownership
<b>Assets</b>				
Cash and investments	\$ 1,095	\$ 1,327	\$ 1,274	\$ 881
Accounts receivable	-	-	25	33
Due from other funds	-	34	-	-
Due from other governments	-	-	-	-
Notes receivable (net)	-	3,170	2,374	2,346
Advances to other funds	-	-	-	-
Restricted cash and investments	6	-	1	-
Total assets	<u>\$ 1,101</u>	<u>\$ 4,531</u>	<u>\$ 3,674</u>	<u>\$ 3,260</u>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 39	\$ 1	\$ -
Accrued liabilities	-	-	1	2
Due to other funds	-	-	-	-
Deposit and trust liability	6	-	1	-
Advances from other funds	-	170	-	-
Total liabilities	<u>6</u>	<u>209</u>	<u>3</u>	<u>2</u>
<b>Fund Balances</b>				
Restricted for:				
Housing	1,095	4,322	3,671	3,258
Total fund balances	<u>1,095</u>	<u>4,322</u>	<u>3,671</u>	<u>3,258</u>
Total liabilities and fund balances	<u>\$ 1,101</u>	<u>\$ 4,531</u>	<u>\$ 3,674</u>	<u>\$ 3,260</u>

Sacramento Housing and Redevelopment Agency  
Combining Balance Sheet  
Nonmajor Housing Special Revenue Funds  
December 31, 2014  
(amounts expressed in thousands)

	Riverview Plaza Reserve	FUND, Inc.	City State/Local Housing Grants	County State/Local Housing Grants	City ROSS PH FSS Grant
<b>Assets</b>					
Cash and investments	\$ 258	\$ 15	\$ 23	\$ 119	\$ -
Accounts receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	12
Notes receivable (net)	2,392	-	-	-	-
Advances to other funds	-	-	-	-	-
Restricted cash and investments	-	-	-	-	-
Total assets	<u>\$ 2,650</u>	<u>\$ 15</u>	<u>\$ 23</u>	<u>\$ 119</u>	<u>\$ 12</u>
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	3
Due to other funds	-	-	-	-	9
Deposit and trust liability	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12</u>
<b>Fund Balances</b>					
Restricted for:					
Housing	2,650	15	23	119	-
Total fund balances	<u>2,650</u>	<u>15</u>	<u>23</u>	<u>119</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 2,650</u>	<u>\$ 15</u>	<u>\$ 23</u>	<u>\$ 119</u>	<u>\$ 12</u>

Sacramento Housing and Redevelopment Agency  
Combining Balance Sheet  
Nonmajor Housing Special Revenue Funds  
December 31, 2014  
(amounts expressed in thousands)

	County ROSS PH FSS Grant	City ROSS Service Coordinator	City CNI Planning Grant	County CNI Planning Grant	City Housing Trust
<b>Assets</b>					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 2,222
Accounts receivable	-	-	-	-	36
Due from other funds	-	-	-	-	194
Due from other governments	-	-	2	-	-
Notes receivable (net)	-	-	-	-	21,586
Advances to other funds	-	-	-	-	410
Restricted cash and investments	-	-	-	-	73
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 24,521</u>
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	2	-	-
Due to other funds	-	-	-	-	-
Deposit and trust liability	-	-	-	-	73
Advances from other funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>73</u>
<b>Fund Balances</b>					
Restricted for:					
Housing	-	-	-	-	24,448
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,448</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 24,521</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Balance Sheet**  
**Nonmajor Housing Special Revenue Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

	<u>County Housing Trust</u>	<u>State/Local Housing Trust</u>	<u>City Inclusionary Housing</u>	<u>County Affordable Housing</u>	<u>Total</u>
<b>Assets</b>					
Cash and investments	\$ 6,426	\$ -	\$ 73	\$ 1,467	\$ 15,180
Accounts receivable	1	-	-	-	95
Due from other funds	261	-	-	-	489
Due from other governments	-	-	-	-	14
Notes receivable (net)	16,825	3,000	-	2,015	53,708
Advances to other funds	1,115	-	-	-	1,525
Restricted cash and investments	-	-	-	-	80
Total assets	<u>\$ 24,628</u>	<u>\$ 3,000</u>	<u>\$ 73</u>	<u>\$ 3,482</u>	<u>\$ 71,091</u>
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 40
Accrued liabilities	-	-	-	-	8
Due to other funds	-	-	-	-	9
Deposit and trust liability	-	-	-	-	80
Advances from other funds	-	-	-	1,115	1,285
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,115</u>	<u>1,422</u>
<b>Fund Balances</b>					
Restricted for:					
Housing	24,628	3,000	73	2,367	69,669
Total fund balances	<u>24,628</u>	<u>3,000</u>	<u>73</u>	<u>2,367</u>	<u>69,669</u>
Total liabilities and fund balances	<u>\$ 24,628</u>	<u>\$ 3,000</u>	<u>\$ 73</u>	<u>\$ 3,482</u>	<u>\$ 71,091</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Housing Special Revenue Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<b>General Housing Reserve</b>	<b>Local Housing Revenue</b>	<b>City Public Housing Homeownership</b>	<b>County Public Housing Homeownership</b>
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Investment earnings	11	15	18	14
Miscellaneous	-	-	-	13
Total revenues	<u>11</u>	<u>15</u>	<u>18</u>	<u>27</u>
<b>Expenditures:</b>				
Current:				
Housing operations	2	4	672	209
Community development	-	-	-	-
Community social services	-	-	-	-
Capital outlay	-	141	-	-
Total expenditures	<u>2</u>	<u>145</u>	<u>672</u>	<u>209</u>
Excess (deficiency) of revenues over (under) expenditures	<u>9</u>	<u>(130)</u>	<u>(654)</u>	<u>(182)</u>
<b>Other financing sources (uses):</b>				
Transfers in	23	-	2,950	2,491
Transfers out	(30)	-	-	-
Total other financing sources (uses)	<u>(7)</u>	<u>-</u>	<u>2,950</u>	<u>2,491</u>
Net change in fund balances	2	(130)	2,296	2,309
Fund balances, beginning	1,093	4,452	1,375	949
Fund balances, ending	<u>\$ 1,095</u>	<u>\$ 4,322</u>	<u>\$ 3,671</u>	<u>\$ 3,258</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Housing Special Revenue Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	Riverview Plaza Reserve	FUND, Inc.	City State/Local Housing Grants	County State/Local Housing Grants	City ROSS PH FSS Grant
<b>Revenues:</b>					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 57
Charges for services	-	-	-	-	-
Investment earnings	3	-	-	1	-
Miscellaneous	-	1	-	-	-
Total revenues	<u>3</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>57</u>
<b>Expenditures:</b>					
Current:					
Housing operations	1	-	-	-	57
Community development	-	-	-	-	-
Community social services	-	2	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>1</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>57</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2</u>	<u>(1)</u>	<u>-</u>	<u>1</u>	<u>-</u>
<b>Other financing sources (uses):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	2	(1)	-	1	-
Fund balances, beginning	2,648	16	23	118	-
Fund balances, ending	<u>\$ 2,650</u>	<u>\$ 15</u>	<u>\$ 23</u>	<u>\$ 119</u>	<u>\$ -</u>

Sacramento Housing and Redevelopment Agency  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Housing Special Revenue Funds  
For the Year Ended December 31, 2014  
(amounts expressed in thousands)

	County ROSS PH FSS Grant	City ROSS Service Coordinator	City CNI Planning Grant	County CNI Planning Grant	City Housing Trust
<b>Revenues:</b>					
Intergovernmental	\$ 71	\$ 94	\$ 120	\$ 1	\$ 388
Charges for services	-	-	-	-	-
Investment earnings	-	-	-	-	191
Miscellaneous	-	-	-	-	33
Total revenues	<u>71</u>	<u>94</u>	<u>120</u>	<u>1</u>	<u>612</u>
<b>Expenditures:</b>					
Current:					
Housing operations	71	94	120	1	37
Community development	-	-	-	-	-
Community social services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>71</u>	<u>94</u>	<u>120</u>	<u>1</u>	<u>37</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>575</u>
<b>Other financing sources (uses):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-	575
Fund balances, beginning	-	-	-	-	23,873
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,448</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	County Housing Trust	State/Local Housing Trust	City Inclusionary Housing	County Affordable Housing	Total
<b>Revenues:</b>					
Intergovernmental	\$ 355	\$ -	\$ -	\$ 410	\$ 1,496
Charges for services	-	-	1	-	1
Investment earnings	1,486	-	1	12	1,752
Miscellaneous	-	-	13	7	67
Total revenues	<u>1,841</u>	<u>-</u>	<u>15</u>	<u>429</u>	<u>3,316</u>
<b>Expenditures:</b>					
Current:					
Housing operations	198	-	-	-	1,466
Community development	-	-	-	26	26
Community social services	-	-	-	-	2
Capital outlay	-	-	-	-	141
Total expenditures	<u>198</u>	<u>-</u>	<u>-</u>	<u>26</u>	<u>1,635</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,643</u>	<u>-</u>	<u>15</u>	<u>403</u>	<u>1,681</u>
<b>Other financing sources (uses):</b>					
Transfers in	-	-	-	-	5,464
Transfers out	-	-	-	-	(30)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,434</u>
Net change in fund balances	1,643	-	15	403	7,115
Fund balances, beginning	22,985	3,000	58	1,964	62,554
Fund balances, ending	<u>\$ 24,628</u>	<u>\$ 3,000</u>	<u>\$ 73</u>	<u>\$ 2,367</u>	<u>\$ 69,669</u>

**Sacramento Housing and Redevelopment Agency**  
**General Housing Reserve Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment earnings	\$ 11	\$ 11	\$ 11	\$ -
<b>Expenditures:</b>				
Current:				
Housing operations	205	205	2	203
Excess (deficiency) of revenues over (under) expenditures	(194)	(194)	9	203
<b>Other financing uses:</b>				
Transfers in	19	19	23	4
Transfers out	(60)	(60)	(30)	30
Total other financing uses	(41)	(41)	(7)	34
Net change in fund balance	(235)	(235)	2	237
Fund balance, beginning	1,093	1,093	1,093	-
Fund balance, ending	<u>\$ 858</u>	<u>\$ 858</u>	<u>\$ 1,095</u>	<u>\$ 237</u>

**Sacramento Housing and Redevelopment Agency**  
**Local Housing Revenue Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment earnings	\$ 14	\$ 14	\$ 15	\$ 1
<b>Expenditures:</b>				
Current:				
Housing operations	3	3	4	(1)
Capital outlay	261	261	141	120
Total expenditures	<u>264</u>	<u>264</u>	<u>145</u>	<u>119</u>
Net change in fund balance	(250)	(250)	(130)	120
Fund balance, beginning	4,452	4,452	4,452	-
Fund balance, ending	<u>\$ 4,202</u>	<u>\$ 4,202</u>	<u>\$ 4,322</u>	<u>\$ 120</u>

**Sacramento Housing and Redevelopment Agency**  
**City Public Housing Homeownership Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment earnings	\$ 10	\$ 10	\$ 18	\$ 8
<b>Expenditures:</b>				
Current:				
Housing operations	1,118	1,118	672	446
Deficiency of revenues under expenditures	(1,108)	(1,108)	(654)	454
<b>Other financing sources:</b>				
Transfers in	-	-	2,950	2,950
Net change in fund balance	(1,108)	(1,108)	2,296	3,404
Fund balance, beginning	1,375	1,375	1,375	-
Fund balance, ending	<u>\$ 267</u>	<u>\$ 267</u>	<u>\$ 3,671</u>	<u>\$ 3,404</u>

**Sacramento Housing and Redevelopment Agency**  
**County Public Housing Homeownership Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment earnings	\$ 1	\$ 1	\$ 14	\$ 13
Miscellaneous	-	-	13	13
Total revenues	<u>1</u>	<u>1</u>	<u>27</u>	<u>26</u>
<b>Expenditures:</b>				
Current:				
Housing operations	<u>360</u>	<u>360</u>	<u>209</u>	<u>151</u>
Deficiency of revenues under expenditures	<u>(359)</u>	<u>(359)</u>	<u>(182)</u>	<u>177</u>
<b>Other financing sources:</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>2,491</u>	<u>2,491</u>
Net change in fund balance	(359)	(359)	2,309	2,668
Fund balance, beginning	949	949	949	-
Fund balance, ending	<u>\$ 590</u>	<u>\$ 590</u>	<u>\$ 3,258</u>	<u>\$ 2,668</u>

**Sacramento Housing and Redevelopment Agency**  
**Riverview Plaza Reserve Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment earnings	\$ 4	\$ 4	\$ 3	\$ (1)
<b>Expenditures:</b>				
Current:				
Housing operations	70	70	1	69
Net change in fund balance	(66)	(66)	2	68
Fund balance, beginning	2,648	2,648	2,648	-
Fund balance, ending	<u>\$ 2,582</u>	<u>\$ 2,582</u>	<u>\$ 2,650</u>	<u>\$ 68</u>

**Sacramento Housing and Redevelopment Agency**  
**City State/Local Housing Grants Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Current:				
Housing operations	\$ 21	\$ 21	\$ -	\$ 21
Net change in fund balances	(21)	(21)	-	21
Fund balance, beginning	21	21	23	2
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23</u>	<u>\$ 23</u>

**Sacramento Housing and Redevelopment Agency**  
**County State/Local Housing Grants Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment earnings	\$ 1	\$ 1	\$ 1	\$ -
<b>Expenditures:</b>				
Current:				
Housing operations	109	109	-	109
Net change in fund balances	(108)	(108)	1	109
Fund balance, beginning	118	118	118	-
Fund balance, ending	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 119</u>	<u>\$ 109</u>

**Sacramento Housing and Redevelopment Agency**  
**City ROSS PH FSS Grant Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 69	\$ 69	\$ 57	\$ (12)
<b>Expenditures:</b>				
Current:				
Housing operations	69	69	57	12
Net change in fund balances	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Sacramento Housing and Redevelopment Agency**  
**County ROSS PH FSS Grant Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 83	\$ 83	\$ 71	\$ (12)
<b>Expenditures:</b>				
Current:				
Housing operations	81	83	71	12
Net change in fund balance	2	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Sacramento Housing and Redevelopment Agency**  
**City ROSS Service Coordinator Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ 94	\$ 94
<b>Expenditures:</b>				
Current:				
Housing operations	124	94	94	-
Net change in fund balance	(124)	(94)	-	94
Fund balance, beginning	-	-	-	-
Fund balance (deficit), ending	<u>\$ (124)</u>	<u>\$ (94)</u>	<u>\$ -</u>	<u>\$ 94</u>

**Sacramento Housing and Redevelopment Agency**  
**City CNI Planning Grant Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 500	\$ 120	\$ (380)
<b>Expenditures:</b>				
Current:				
Housing operations	-	500	120	380
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance (deficit), ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Sacramento Housing and Redevelopment Agency**  
**County CNI Planning Grant Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 1	\$ 1	\$ 1	\$ -
<b>Expenditures:</b>				
Current:				
Housing operations	1	1	1	-
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance (deficit), ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Sacramento Housing and Redevelopment Agency**  
**City Housing Trust Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 200	\$ 200	\$ 388	\$ 188
Investment earnings	150	150	191	41
Miscellaneous	50	50	33	(17)
Total revenues	<u>400</u>	<u>400</u>	<u>612</u>	<u>212</u>
<b>Expenditures:</b>				
Current:				
Housing operations	<u>1,563</u>	<u>1,963</u>	<u>37</u>	<u>1,926</u>
Net change in fund balance	(1,163)	(1,563)	575	2,138
Fund balance, beginning	23,873	23,873	23,873	-
Fund balance, ending	<u>\$ 22,710</u>	<u>\$ 22,310</u>	<u>\$ 24,448</u>	<u>\$ 2,138</u>

**Sacramento Housing and Redevelopment Agency**  
**County Housing Trust Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 150	\$ 150	\$ 355	\$ 205
Investment earnings	187	187	1,486	1,299
Miscellaneous	200	200	-	(200)
Total revenues	<u>537</u>	<u>537</u>	<u>1,841</u>	<u>1,304</u>
<b>Expenditures:</b>				
Current:				
Housing operations	<u>4,234</u>	<u>4,234</u>	<u>198</u>	<u>4,036</u>
Net change in fund balance	(3,697)	(3,697)	1,643	5,340
Fund balance, beginning	22,985	22,985	22,985	-
Fund balance, ending	<u>\$ 19,288</u>	<u>\$ 19,288</u>	<u>\$ 24,628</u>	<u>\$ 5,340</u>

**Sacramento Housing and Redevelopment Agency**  
**State/Local Housing Trust Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Current:				
Housing operations	\$ 2,000	\$ 2,000	\$ -	\$ 2,000
Net change in fund balance	(2,000)	(2,000)	-	2,000
Fund balance, beginning	3,000	3,000	3,000	-
Fund balance, ending	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 3,000</u>	<u>\$ 2,000</u>

**Sacramento Housing and Redevelopment Agency**  
**City Inclusionary Housing Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services	\$ -	\$ -	\$ 1	\$ 1
Investment earnings	1	1	1	-
Miscellaneous	-	-	13	13
Total revenues	<u>1</u>	<u>1</u>	<u>15</u>	<u>14</u>
<b>Expenditures:</b>				
Current:				
Community development	<u>108</u>	<u>108</u>	-	<u>108</u>
Net change in fund balance	(107)	(107)	15	122
Fund balance, beginning	58	58	58	-
Fund balance (deficit), ending	<u>\$ (49)</u>	<u>\$ (49)</u>	<u>\$ 73</u>	<u>\$ 122</u>

**Sacramento Housing and Redevelopment Agency**  
**County Affordable Housing Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 175	\$ 175	\$ 410	\$ 235
Investment earnings	8	8	12	4
Miscellaneous	-	-	7	7
Total revenues	<u>183</u>	<u>183</u>	<u>429</u>	<u>246</u>
<b>Expenditures:</b>				
Current:				
Community development	<u>1,199</u>	<u>1,199</u>	<u>26</u>	<u>1,173</u>
Net change in fund balance	(1,016)	(1,016)	403	1,419
Fund balance, beginning	1,964	1,964	1,964	-
Fund balance, ending	<u>\$ 948</u>	<u>\$ 948</u>	<u>\$ 2,367</u>	<u>\$ 1,419</u>

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# *Nonmajor Community Development*

## *Special Revenue Funds*

- ◆ **County Economic Development Activities** accounts for various economic development projects in the County of Sacramento.
- ◆ **City Brownfields Cleanup** accounts for loans for toxic cleanup in the City.
- ◆ **City and County Miscellaneous Development Grants** account for various economic development activities in the City and County of Sacramento.
- ◆ **Shasta Trust** is used to account for funds legally required to be set aside for the Shasta Hotel Corporation.
- ◆ **City BEGIN** accounts for loans on behalf of the federal government.
- ◆ **BEGIN State Prop 46** accounts for loans on behalf of the state government.
- ◆ **City and County CalHOME** is a state program that provides loans for low-income housing residents within the City and County of Sacramento.
- ◆ **City and County American Dream Downpayment Initiative (ADDI)** is a program that provides assistance to low-income, first-time homebuyers which can be used for the down payment, closing costs, and rehabilitation that is completed in conjunction with a home purchase within the City and County of Sacramento.
- ◆ **Mental Health Services** accounts for a one-time California Department of Mental Health grant provided to the County Department of Health and Human Services. Funding is to invest in the development and/or rehabilitation of permanent supportive housing units for homeless adults, transition age youth, and children and families with psychiatric disabilities residing in Sacramento County.
- ◆ **City Globe Mills Economic Development Initiative Grant (EDI)** provides for the construction and rehabilitation of the Globe Mills housing project.
- ◆ **City and County Community Development Block Grant (CDBG) program** enables local governments to undertake a wide range of activities intended to create suitable living environments, provide decent affordable housing and create economic opportunities, primarily for persons of low and moderate income.
- ◆ **City and County CDBG Neighborhood Stabilization Program (NSP 1 and NSP 3)** were established for the purpose of stabilizing communities that have suffered from foreclosures and abandonment.
- ◆ **City and County Section 108 Programs** account for the acquisition of land, buildings, rehabilitation of various redevelopment activities. These funds are collateralized by and payable from future CDBG entitlements.
- ◆ **City and County Non-housing Project Delivery** accounts for the reimbursement of non-housing related obligations of the former City and County Redevelopment Agencies that are owed to the Agency from the City and County Redevelopment Agency Successor Agencies (RASA).

**Sacramento Housing and Redevelopment Agency**  
**Combining Balance Sheet**  
**Nonmajor Community Development Special Revenue Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

	<u>County Economic Development Activities</u>	<u>City Brownfields Cleanup</u>	<u>City Misc Development Grants</u>	<u>County Misc Development Grants</u>	<u>Shasta Trust</u>	<u>City BEGIN</u>
<b>Assets</b>						
Cash and investments	\$ 107	\$ 44	\$ 125	\$ 768	\$ 21	\$ 21
Accounts receivable	-	-	-	-	-	-
Due from other funds	-	-	-	190	-	-
Due from other governments	-	-	-	-	-	-
Notes receivable (net)	-	-	15	15	-	115
Advances to other funds	-	-	-	-	-	-
Restricted cash and investments	-	-	-	44	-	-
Total assets	<u>\$ 107</u>	<u>\$ 44</u>	<u>\$ 140</u>	<u>\$ 1,017</u>	<u>\$ 21</u>	<u>\$ 136</u>
<b>Liabilities</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	-	-	4	566	-	-
Deposit and trust liability	-	-	-	44	-	-
Advances from other funds	-	-	-	2,034	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>4</u>	<u>2,644</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue	-	-	-	-	-	115
<b>Fund Balances (Deficits)</b>						
Restricted for:						
Debt service	-	-	-	-	-	-
Community development	107	44	136	653	21	21
Unassigned	-	-	-	(2,280)	-	-
Total fund balances (deficits)	<u>107</u>	<u>44</u>	<u>136</u>	<u>(1,627)</u>	<u>21</u>	<u>21</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 107</u>	<u>\$ 44</u>	<u>\$ 140</u>	<u>\$ 1,017</u>	<u>\$ 21</u>	<u>\$ 136</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Balance Sheet**  
**Nonmajor Community Development Special Revenue Funds**  
**December 31, 2014**  
(amounts expressed in thousands)

	<u>BEGIN State Prop 46</u>	<u>City CalHOME</u>	<u>County CalHOME</u>	<u>City ADDI</u>	<u>County ADDI</u>	<u>Mental Health Services</u>
<b>Assets</b>						
Cash and investments	\$ 30	\$ 477	\$ 289	\$ 25	\$ 40	\$ 2,005
Accounts receivable	-	28	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other governments	58	-	-	-	-	-
Notes receivable (net)	1,524	5,232	4,843	352	442	325
Advances to other funds	-	-	-	-	-	-
Restricted cash and investments	1	-	-	-	-	-
<b>Total assets</b>	<u>\$ 1,613</u>	<u>\$ 5,737</u>	<u>\$ 5,132</u>	<u>\$ 377</u>	<u>\$ 482</u>	<u>\$ 2,330</u>
<b>Liabilities</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	1	-	-	-	-
Due to other funds	58	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Deposit and trust liability	1	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
<b>Total liabilities</b>	<u>59</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue	<u>1,524</u>	<u>5,232</u>	<u>4,843</u>	<u>352</u>	<u>442</u>	<u>-</u>
<b>Fund Balances (Deficits)</b>						
Restricted for:						
Debt service	-	-	-	-	-	-
Community development	30	504	289	25	40	2,330
Unassigned	-	-	-	-	-	-
<b>Total fund balances (deficits)</b>	<u>30</u>	<u>504</u>	<u>289</u>	<u>25</u>	<u>40</u>	<u>2,330</u>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<u>\$ 1,613</u>	<u>\$ 5,737</u>	<u>\$ 5,132</u>	<u>\$ 377</u>	<u>\$ 482</u>	<u>\$ 2,330</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Balance Sheet**  
**Nonmajor Community Development Special Revenue Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

	City Globe Mills EDI	City CDBG	County CDBG	City CDBG-NSP 1	County CDBG-NSP 1	City CDBG - NSP 3
<b>Assets</b>						
Cash and investments	\$ -	\$ -	\$ 518	\$ 1	\$ 2	\$ 849
Accounts receivable	-	2	1	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other governments	-	1,770	3,241	1	-	-
Notes receivable (net)	2,000	5,290	4,911	-	7,964	43
Advances to other funds	-	232	657	-	-	-
Restricted cash and investments	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 2,000</b>	<b>\$ 7,294</b>	<b>\$ 9,328</b>	<b>\$ 2</b>	<b>\$ 7,966</b>	<b>\$ 892</b>
<b>Liabilities</b>						
Accounts payable	\$ -	\$ 3	\$ 989	\$ 1	\$ -	\$ 6
Accrued liabilities	-	14	11	1	1	-
Due to other funds	-	194	-	-	-	-
Due to other governments	-	10	21	-	-	-
Unearned revenue	-	-	-	-	-	-
Deposit and trust liability	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>221</b>	<b>1,021</b>	<b>2</b>	<b>1</b>	<b>6</b>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue	2,000	5,290	4,911	-	7,964	43
<b>Fund Balances (Deficits)</b>						
Restricted for:						
Debt service	-	-	-	-	-	-
Community development	-	1,783	3,396	-	1	843
Unassigned	-	-	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>-</b>	<b>1,783</b>	<b>3,396</b>	<b>-</b>	<b>1</b>	<b>843</b>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<b>\$ 2,000</b>	<b>\$ 7,294</b>	<b>\$ 9,328</b>	<b>\$ 2</b>	<b>\$ 7,966</b>	<b>\$ 892</b>

**Sacramento Housing and Redevelopment Agency**  
**Combining Balance Sheet**  
**Nonmajor Community Development Special Revenue Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

	County CDBG - NSP 3	City Section 108	County Section 108	City Non-housing Project Delivery	County Non-housing Project Delivery	Total
<b>Assets</b>						
Cash and investments	\$ 348	\$ -	\$ -	\$ -	\$ -	\$ 5,670
Accounts receivable	-	-	-	-	-	31
Due from other funds	-	-	-	-	-	190
Due from other governments	-	-	-	-	-	5,070
Notes receivable (net)	286	5,500	-	-	-	38,857
Advances to other funds	1,437	-	-	-	-	2,326
Restricted cash and investments	-	3	-	-	-	48
Total assets	<u>\$ 2,071</u>	<u>\$ 5,503</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,192</u>
<b>Liabilities</b>						
Accounts payable	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ 1,000
Accrued liabilities	-	-	-	-	-	28
Due to other funds	-	-	-	-	-	252
Due to other governments	-	-	-	-	-	31
Unearned revenue	-	-	-	-	-	570
Deposit and trust liability	-	-	-	-	-	45
Advances from other funds	-	-	-	-	-	2,034
Total liabilities	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,960</u>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue	<u>286</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,002</u>
<b>Fund Balances (Deficits)</b>						
Restricted for:						
Debt service	-	3	-	-	-	3
Community development	1,784	5,500	-	-	-	17,507
Unassigned	-	-	-	-	-	(2,280)
Total fund balances (deficits)	<u>1,784</u>	<u>5,503</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,230</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 2,071</u>	<u>\$ 5,503</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,192</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Community Development Special Revenue Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>County Economic Development Activities</u>	<u>City Brownfields Cleanup</u>	<u>City Misc Development Grants</u>	<u>County Misc Development Grants</u>	<u>Shasta Trust</u>	<u>City BEGIN</u>
<b>Revenues:</b>						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-
Investment earnings	1	-	-	-	-	4
Miscellaneous	-	-	52	-	-	17
Total revenues	<u>1</u>	<u>-</u>	<u>52</u>	<u>-</u>	<u>-</u>	<u>21</u>
<b>Expenditures:</b>						
Current:						
Housing operations	-	-	-	-	-	-
Community development	1	439	82	-	-	-
Community social services	-	-	-	-	-	-
Total expenditures	<u>1</u>	<u>439</u>	<u>82</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(439)</u>	<u>(30)</u>	<u>-</u>	<u>-</u>	<u>21</u>
<b>Other financing sources (uses):</b>						
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(439)	(30)	-	-	21
Fund balances (deficits), beginning	107	483	166	(1,627)	21	-
Fund balances (deficits), ending	<u>\$ 107</u>	<u>\$ 44</u>	<u>\$ 136</u>	<u>\$ (1,627)</u>	<u>\$ 21</u>	<u>\$ 21</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Community Development Special Revenue Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>BEGIN State Prop 46</u>	<u>City CalHOME</u>	<u>County CalHOME</u>	<u>City ADDI</u>	<u>County ADDI</u>	<u>Mental Health Services</u>
<b>Revenues:</b>						
Intergovernmental	\$ 255	\$ 750	\$ 750	\$ -	\$ -	\$ -
Charges for services	4	1	2	-	-	-
Investment earnings	-	42	17	-	1	20
Miscellaneous	1	223	141	1	19	-
Total revenues	<u>260</u>	<u>1,016</u>	<u>910</u>	<u>1</u>	<u>20</u>	<u>20</u>
<b>Expenditures:</b>						
Current:						
Housing operations	-	-	-	-	-	-
Community development	153	713	724	-	-	86
Community social services	-	-	-	-	-	-
Total expenditures	<u>153</u>	<u>713</u>	<u>724</u>	<u>-</u>	<u>-</u>	<u>86</u>
Excess (deficiency) of revenues over (under) expenditures	<u>107</u>	<u>303</u>	<u>186</u>	<u>1</u>	<u>20</u>	<u>(66)</u>
<b>Other financing sources (uses):</b>						
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	107	303	186	1	20	(66)
Fund balances (deficits), beginning	(77)	201	103	24	20	2,396
Fund balances (deficits), ending	<u>\$ 30</u>	<u>\$ 504</u>	<u>\$ 289</u>	<u>\$ 25</u>	<u>\$ 40</u>	<u>\$ 2,330</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Community Development Special Revenue Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>City Globe Mills EDI</u>	<u>City CDBG</u>	<u>County CDBG</u>	<u>City CDBG-NSP 1</u>	<u>County CDBG-NSP 1</u>	<u>City CDBG - NSP 3</u>
<b>Revenues:</b>						
Intergovernmental	\$ -	\$ 2,484	\$ 5,287	\$ 62	\$ 147	\$ 688
Charges for services	-	-	-	-	-	-
Investment earnings	-	60	88	-	-	-
Miscellaneous	-	157	489	5	-	1,574
Total revenues	<u>-</u>	<u>2,701</u>	<u>5,864</u>	<u>67</u>	<u>147</u>	<u>2,262</u>
<b>Expenditures:</b>						
Current:						
Housing operations	-	-	-	-	-	731
Community development	-	1,599	5,119	67	147	688
Community social services	-	636	775	-	-	-
Total expenditures	<u>-</u>	<u>2,235</u>	<u>5,894</u>	<u>67</u>	<u>147</u>	<u>1,419</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>466</u>	<u>(30)</u>	<u>-</u>	<u>-</u>	<u>843</u>
<b>Other financing sources (uses):</b>						
Proceeds from sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	252	-	-	-
Transfers out	-	(345)	-	-	-	-
Total other financing sources	<u>-</u>	<u>(345)</u>	<u>252</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	121	222	-	-	843
Fund balances (deficits), beginning	-	1,662	3,174	-	1	-
Fund balances (deficits), ending	<u>\$ -</u>	<u>\$ 1,783</u>	<u>\$ 3,396</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 843</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Community Development Special Revenue Funds**  
**For the Year Ended December 31, 2014**  
(amounts expressed in thousands)

	County CDBG - NSP 3	City Section 108	County Section 108	City Non-housing Project Delivery	County Non-housing Project Delivery	Total
<b>Revenues:</b>						
Intergovernmental	\$ -	\$ -	\$ -	\$ 740	\$ 263	\$ 11,426
Charges for services	-	-	-	-	-	7
Investment earnings	-	-	-	-	-	233
Miscellaneous	1,036	-	-	-	-	3,715
Total revenues	<u>1,036</u>	<u>-</u>	<u>-</u>	<u>740</u>	<u>263</u>	<u>15,381</u>
<b>Expenditures:</b>						
Current:						
Housing operations	-	-	-	-	-	731
Community development	895	-	-	-	-	10,713
Community social services	-	-	-	-	-	1,411
Total expenditures	<u>895</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,855</u>
Excess (deficiency) of revenues over (under) expenditures	<u>141</u>	<u>-</u>	<u>-</u>	<u>740</u>	<u>263</u>	<u>2,526</u>
<b>Other financing sources (uses):</b>						
Proceeds from sale of capital assets	206	-	-	-	-	206
Transfers in	-	-	-	-	-	252
Transfers out	-	-	(252)	(740)	(263)	(1,600)
Total other financing sources	<u>206</u>	<u>-</u>	<u>(252)</u>	<u>(740)</u>	<u>(263)</u>	<u>(1,142)</u>
Net change in fund balances	347	-	(252)	-	-	1,384
Fund balances (deficits), beginning	1,437	5,503	252	-	-	13,846
Fund balances (deficits), ending	<u>\$ 1,784</u>	<u>\$ 5,503</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,230</u>

## **Nonmajor Community Services Special Revenue Funds**

- ◆ **City Housing Opportunities for Persons with AIDS (HOPWA)** provides housing assistance and related support services to persons with AIDS.
- ◆ **City and County Emergency Solutions Grant (ESG)** provides assistance to rehabilitate and operate emergency shelters and transitional housing, provide essential social services and prevent homelessness.
- ◆ **County TLCS** provides assistance for mental health recovery services.

**Sacramento Housing and Redevelopment Agency**  
**Combining Balance Sheet**  
**Nonmajor Community Services Special Revenue Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

	<u>City HOPWA</u>	<u>City ESG</u>	<u>County ESG</u>	<u>County TLCS</u>	<u>Total</u>
<b>Assets</b>					
Cash and investments	\$ -	\$ -	\$ 79	\$ -	\$ 79
Accounts receivable	-	-	-	15	15
Due from other governments	867	511	330	-	1,708
Total assets	<u>\$ 867</u>	<u>\$ 511</u>	<u>\$ 409</u>	<u>\$ 15</u>	<u>\$ 1,802</u>
<b>Liabilities</b>					
Accounts payable	\$ 225	\$ 58	\$ 93	\$ -	\$ 376
Due to other funds	642	453	190	10	1,295
Due to other governments	-	-	126	-	126
Total liabilities	<u>867</u>	<u>511</u>	<u>409</u>	<u>10</u>	<u>1,797</u>
<b>Fund Balances</b>					
Restricted for:					
Community services	-	-	-	5	5
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>
Total liabilities and fund balances	<u>\$ 867</u>	<u>\$ 511</u>	<u>\$ 409</u>	<u>\$ 15</u>	<u>\$ 1,802</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Community Services Special Revenue Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>City HOPWA</u>	<u>City ESG</u>	<u>County ESG</u>	<u>County TLCS</u>	<u>Total</u>
<b>Revenues:</b>					
Intergovernmental	\$ 867	\$ 730	\$ 584	\$ 187	\$ 2,368
<b>Expenditures:</b>					
Current:					
Community social services	867	553	405	185	2,010
Net change in fund balances	-	177	179	2	358
Fund balances (deficits), beginning	-	(177)	(179)	3	(353)
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5</u>	<u>\$ 5</u>

**Sacramento Housing and Redevelopment Agency**  
**City HOPWA Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 819	\$ 901	\$ 867	\$ (34)
<b>Expenditures:</b>				
Current:				
Community social services	819	897	867	30
Net change in fund balance	-	4	-	(4)
Fund balance, beginning	-	-	-	-
Fund balance, ending	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ (4)</u>

**Sacramento Housing and Redevelopment Agency**  
**City ESG Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 287	\$ 672	\$ 730	\$ 58
<b>Expenditures:</b>				
Current:				
Community social services	412	797	553	244
Net change in fund balance	(125)	(125)	177	302
Fund balance, beginning	(177)	(177)	(177)	-
Fund balance (deficit), ending	<u>\$ (302)</u>	<u>\$ (302)</u>	<u>\$ -</u>	<u>\$ 302</u>

**Sacramento Housing and Redevelopment Agency**  
**County ESG Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 315	\$ 717	\$ 584	\$ (133)
<b>Expenditures:</b>				
Current:				
Community social services	467	869	405	464
Net change in fund balance	(152)	(152)	179	331
Fund balance (deficit), beginning	(179)	(179)	(179)	-
Fund balance (deficit), ending	<u>\$ (331)</u>	<u>\$ (331)</u>	<u>\$ -</u>	<u>\$ 331</u>

**Sacramento Housing and Redevelopment Agency**  
**County TLCS Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 30	\$ 231	\$ 187	\$ (44)
<b>Expenditures:</b>				
Current:				
Community social services	29	231	185	46
Net change in fund balance	1	-	2	2
Fund balance, beginning	3	3	3	-
Fund balance, ending	<u>\$ 4</u>	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 2</u>

## **Nonmajor Local Tax Special Revenue Funds**

- ◆ **City Local Tax** accounts for the City Public Housing portion of payments in lieu of taxes. The resources are used for community service programs.
- ◆ **County Local Tax** accounts for the County Public Housing portion of payments in lieu of taxes. The resources are used for community service programs.

**Sacramento Housing and Redevelopment Agency**  
**Combining Balance Sheet**  
**Nonmajor Local Tax Special Revenue Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

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	City Local Tax	County Local Tax	Total
<b>Assets</b>			
Cash and investments	\$ 102	\$ 20	\$ 122
<b>Fund Balances</b>			
Restricted for:			
Community services	\$ 102	\$ 20	\$ 122

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Local Tax Special Revenue Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>City Local Tax</u>	<u>County Local Tax</u>	<u>Total</u>
<b>Revenues:</b>			
Intergovernmental	\$ 211	\$ 119	\$ 330
Investment earnings	-	1	1
Total revenues	<u>211</u>	<u>120</u>	<u>331</u>
<b>Expenditures:</b>			
Current:			
Community social services	<u>130</u>	<u>192</u>	<u>322</u>
Net change in fund balances	81	(72)	9
Fund balances, beginning	21	92	113
Fund balances, ending	<u>\$ 102</u>	<u>\$ 20</u>	<u>\$ 122</u>

**Sacramento Housing and Redevelopment Agency**  
**City Local Tax Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 203	\$ 203	\$ 211	\$ 8
<b>Expenditures:</b>				
Current:				
Community social services	133	133	130	3
Net change in fund balance	70	70	81	11
Fund balance, beginning	21	21	21	-
Fund balance, ending	<u>\$ 91</u>	<u>\$ 91</u>	<u>\$ 102</u>	<u>\$ 11</u>

**Sacramento Housing and Redevelopment Agency**  
**County Local Tax Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 99	\$ 99	\$ 119	\$ 20
Investment earnings	1	1	1	-
Total revenues	<u>100</u>	<u>100</u>	<u>120</u>	<u>20</u>
<b>Expenditures:</b>				
Current:				
Community social services	<u>202</u>	<u>202</u>	<u>192</u>	<u>10</u>
Net change in fund balance	(102)	(102)	(72)	30
Fund balance, beginning	92	92	92	-
Fund balance (deficit), ending	<u>\$ (10)</u>	<u>\$ (10)</u>	<u>\$ 20</u>	<u>\$ 30</u>

## **Nonmajor Debt Service Funds**

The debt service funds are used to account for the accumulation of resources and payment of long-term debt principal and interest. Enterprise debt is included in the enterprise funds. The following funds account for the accumulation of monies for payment of interest and principal on notes and loans issued to finance capital improvements and redevelopment:

- ◆ **City CDBG**
- ◆ **County CHFA HELP**

**Sacramento Housing and Redevelopment Agency**  
**Combining Balance Sheet**  
**Nonmajor Debt Service Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

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	City CDBG	County CHFA HELP	Total
<b>Assets</b>			
Cash and investments	\$ -	\$ 93	\$ 93
 <b>Fund Balances</b>			
Restricted for:			
Debt service	\$ -	\$ 93	\$ 93

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Debt Service Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	City CDBG	County CHFA HELP	Total
<b>Revenues:</b>			
Investment earnings	\$ -	\$ 1	\$ 1
<b>Expenditures:</b>			
Debt service:			
Principal retirement	280	112	392
Interest	65	28	93
Total expenditures	<u>345</u>	<u>140</u>	<u>485</u>
Deficiency of revenues under expenditures	<u>(345)</u>	<u>(139)</u>	<u>(484)</u>
<b>Other financing sources:</b>			
Transfers in	<u>345</u>	<u>-</u>	<u>345</u>
Net change in fund balances	-	(139)	(139)
Fund balances, beginning	-	232	232
Fund balances, ending	<u>\$ -</u>	<u>\$ 93</u>	<u>\$ 93</u>

**Sacramento Housing and Redevelopment Agency**  
**City CDBG Debt Service Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures:</b>				
Debt service:				
Principal retirement	\$ 280	\$ 280	\$ 280	\$ -
Interest	65	65	65	-
Total expenditures	<u>345</u>	<u>345</u>	<u>345</u>	<u>-</u>
Deficiency of revenues under expenditures	<u>(345)</u>	<u>(345)</u>	<u>(345)</u>	<u>-</u>
<b>Other financing sources:</b>				
Transfers in	<u>345</u>	<u>345</u>	<u>345</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Sacramento Housing and Redevelopment Agency**  
**County CHFA HELP Debt Service Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment earnings	\$ 2	\$ 2	\$ 1	\$ (1)
<b>Expenditures:</b>				
Debt service:				
Principal retirement	140	140	112	28
Interest	-	-	28	(28)
Total expenditures	<u>140</u>	<u>140</u>	<u>140</u>	<u>-</u>
Net change in fund balance	(138)	(138)	(139)	(1)
Fund balance, beginning	232	232	232	-
Fund balance, ending	<u>\$ 94</u>	<u>\$ 94</u>	<u>\$ 93</u>	<u>\$ (1)</u>

## **Nonmajor Capital Projects Funds**

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

- ◆ **City and County Land Bank Funds** account for the accumulation of land acquired for the future development of low- income housing.
- ◆ **City and County Capital Fund Programs** account for the modernization and rehabilitation of Agency operated low-income housing funded by the U.S. Department of Housing and Urban Development.
- ◆ **City and County Section 32** accounts for the sale of single-family public housing units to eligible low-income residents in the City and County of Sacramento.
- ◆ **City Commerce Circle** accounts for proceeds relating to the sale of 320 Commerce Circle.

**Sacramento Housing and Redevelopment Agency**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

	City Land Bank	County Land Bank	City Capital Fund	County Capital Fund
<b>Assets</b>				
Cash and investments	\$ 1	\$ 176	\$ 1	\$ 3
Due from other governments	-	-	105	319
Total assets	<u>\$ 1</u>	<u>\$ 176</u>	<u>\$ 106</u>	<u>\$ 322</u>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ 49	\$ 66
Accrued liabilities	-	-	2	3
Contracts payable	-	-	21	2
Due to other funds	-	-	34	251
Total liabilities	<u>-</u>	<u>-</u>	<u>106</u>	<u>322</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	-	-	-	179
<b>Fund Balances (Deficits)</b>				
Restricted for:				
Housing	-	-	-	-
Assigned for:				
Community development	1	176	-	-
Unassigned	-	-	-	(179)
Total fund balances (deficits)	<u>1</u>	<u>176</u>	<u>-</u>	<u>(179)</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 1</u>	<u>\$ 176</u>	<u>\$ 106</u>	<u>\$ 322</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

	City Section 32	County Section 32	City Commerce Circle	Total
<b>Assets</b>				
Cash and investments	\$ 1,334	\$ 608	\$ 1,285	\$ 3,408
Due from other governments	-	-	-	424
Total assets	<u>\$ 1,334</u>	<u>\$ 608</u>	<u>\$ 1,285</u>	<u>\$ 3,832</u>
<b>Liabilities</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 115
Accrued liabilities	-	-	-	5
Contracts payable	-	-	-	23
Due to other funds	-	-	-	285
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>428</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	-	-	-	179
<b>Fund Balances (Deficits)</b>				
Restricted for:				
Housing	1,334	608	1,285	3,227
Assigned for:				
Community development	-	-	-	177
Unassigned	-	-	-	(179)
Total fund balances (deficits)	<u>1,334</u>	<u>608</u>	<u>1,285</u>	<u>3,225</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 1,334</u>	<u>\$ 608</u>	<u>\$ 1,285</u>	<u>\$ 3,832</u>

Sacramento Housing and Redevelopment Agency  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2014  
(amounts expressed in thousands)

	City Land Bank	County Land Bank	City Capital Fund	County Capital Fund
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ 2,082	\$ 1,113
Investment earnings	-	2	-	-
Total revenues	<u>-</u>	<u>2</u>	<u>2,082</u>	<u>1,113</u>
<b>Expenditures:</b>				
Current:				
Housing operations	-	-	601	193
Community development	-	1	-	-
Capital outlay	-	-	945	622
Total expenditures	<u>-</u>	<u>1</u>	<u>1,546</u>	<u>815</u>
Excess of revenues over expenditures	<u>-</u>	<u>1</u>	<u>536</u>	<u>298</u>
<b>Other financing sources (uses):</b>				
Transfers out	<u>-</u>	<u>-</u>	<u>(536)</u>	<u>(465)</u>
Net change in fund balances	-	1	-	(167)
Fund balances (deficits), beginning	1	175	-	(12)
Fund balances (deficits), ending	<u>\$ 1</u>	<u>\$ 176</u>	<u>\$ -</u>	<u>\$ (179)</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	City Section 32	County Section 32	City Commerce Circle	Total
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ 3,195
Investment earnings	13	6	9	30
Total revenues	<u>13</u>	<u>6</u>	<u>9</u>	<u>3,225</u>
<b>Expenditures:</b>				
Current:				
Housing operations	-	-	-	794
Community development	-	-	-	1
Capital outlay	-	-	-	1,567
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,362</u>
Excess of revenues over expenditures	<u>13</u>	<u>6</u>	<u>9</u>	<u>863</u>
<b>Other financing sources (uses):</b>				
Transfers out	-	-	-	(1,001)
Net change in fund balances	13	6	9	(138)
Fund balances (deficits), beginning	1,321	602	1,276	3,363
Fund balances (deficits), ending	<u>\$ 1,334</u>	<u>\$ 608</u>	<u>\$ 1,285</u>	<u>\$ 3,225</u>

## *Nonmajor Enterprise Funds*

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises; where the intent of the Agency is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the Agency has decided that periodic determination of net income is appropriate for measurement and accountability purposes.

The following funds are low-income housing projects owned and/or operated by the Agency.

- ◆ **City Public Housing AMP 1, 2, 4, 5, & 7**
- ◆ **County Public Housing AMP 1- 4**
- ◆ **San Jose/Broadway**
- ◆ **Scattered Sites**
- ◆ **Larchmont/Wildflower**
- ◆ **Locally Funded Projects**
- ◆ **Riverview Plaza Commercial**
- ◆ **San Carlos Shelter Plus Care**
- ◆ **Phoenix Park**
- ◆ **Norcade Circle**
- ◆ **Villa De Novo**
- ◆ **Auburn/Garfield Property Management**

The following funds support the operations of the low-income housing projects owned and/or operated by the Agency.

- ◆ **City Mod Rehab**
- ◆ **City and County COCC**
- ◆ **Shelter Plus Care**
- ◆ **Foreclosure Access**
- ◆ **Asset Repositioning**
- ◆ **Mortgage Revenue Bond fund** accounts for the revenue from Mortgage Revenue Bonds and Mortgage Credit Certificates.

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

	City AMP 1	City AMP 2	City AMP 4	City AMP 5	City AMP 7
<b>Assets</b>					
Current assets:					
Cash and investments	\$ 1,227	\$ 1,517	\$ 511	\$ 645	\$ 964
Restricted cash and investments	103	126	82	73	76
Accounts receivable (net)	11	28	9	25	14
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Prepaid items	-	-	-	-	-
Total current assets	<u>1,341</u>	<u>1,671</u>	<u>602</u>	<u>743</u>	<u>1,054</u>
Noncurrent assets:					
Restricted cash and investments	-	-	-	-	-
Other long-term assets	-	-	-	-	-
Notes receivable	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Advances to component units	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital assets:					
Land	377	1,192	907	2,191	998
Buildings and improvements	5,379	19,067	23,554	40,544	14,682
Property and equipment	103	271	56	94	65
Less accumulated depreciation	(2,136)	(6,729)	(9,036)	(19,415)	(4,750)
Total capital assets (net of accumulated depreciation)	<u>3,723</u>	<u>13,801</u>	<u>15,481</u>	<u>23,414</u>	<u>10,995</u>
Total noncurrent assets	<u>3,723</u>	<u>13,801</u>	<u>15,481</u>	<u>23,414</u>	<u>10,995</u>
Total assets	<u>5,064</u>	<u>15,472</u>	<u>16,083</u>	<u>24,157</u>	<u>12,049</u>
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	57	45	55	45	33
Accrued liabilities	23	26	16	16	10
Due to other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Unearned revenue	9	15	4	7	8
Current portion of long-term debt	-	-	-	-	-
Current liabilities payable from restricted assets:					
Deposit and trust liability	103	126	82	73	76
Total current liabilities	<u>192</u>	<u>212</u>	<u>157</u>	<u>141</u>	<u>127</u>
Noncurrent liabilities:					
Mortgage notes payable	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>192</u>	<u>212</u>	<u>157</u>	<u>141</u>	<u>127</u>
<b>Net Position</b>					
Net investment in capital assets	3,723	13,801	15,481	23,414	10,995
Restricted for debt service	-	-	-	-	-
Restricted for housing operations	-	-	-	-	-
Unrestricted	1,149	1,459	445	602	927
Total net position	<u>\$ 4,872</u>	<u>\$ 15,260</u>	<u>\$ 15,926</u>	<u>\$ 24,016</u>	<u>\$ 11,922</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

	County AMP 1	County AMP 2	County AMP 3	County AMP 4	San Jose/ Broadway
<b>Assets</b>					
Current assets:					
Cash and investments	\$ 132	\$ 175	\$ 438	\$ 119	\$ 46
Restricted cash and investments	60	100	119	-	7
Accounts receivable (net)	6	14	19	-	2
Due from other funds	-	-	50	-	-
Due from other governments	-	-	-	-	-
Prepaid items	-	-	-	-	3
Total current assets	<u>198</u>	<u>289</u>	<u>626</u>	<u>119</u>	<u>58</u>
Noncurrent assets:					
Restricted cash and investments	-	-	-	-	158
Other long-term assets	-	-	-	-	-
Notes receivable	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Advances to component units	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>158</u>
Capital assets:					
Land	193	1,763	1,947	11	67
Buildings and improvements	12,631	18,251	16,608	663	1,195
Property and equipment	116	30	87	45	-
Less accumulated depreciation	(4,136)	(5,293)	(5,877)	(180)	(1,071)
Total capital assets (net of accumulated depreciation)	<u>8,804</u>	<u>14,751</u>	<u>12,765</u>	<u>539</u>	<u>191</u>
Total noncurrent assets	<u>8,804</u>	<u>14,751</u>	<u>12,765</u>	<u>539</u>	<u>349</u>
Total assets	<u>9,002</u>	<u>15,040</u>	<u>13,391</u>	<u>658</u>	<u>407</u>
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	32	33	72	1	9
Accrued liabilities	17	17	26	-	2
Due to other funds	50	-	-	-	-
Due to other governments	-	-	-	-	-
Unearned revenue	5	9	6	-	1
Current portion of long-term debt	-	-	-	-	47
Current liabilities payable from restricted assets:					
Deposit and trust liability	60	100	119	-	7
Total current liabilities	<u>164</u>	<u>159</u>	<u>223</u>	<u>1</u>	<u>66</u>
Noncurrent liabilities:					
Mortgage notes payable	-	-	2,173	-	240
Advances from other funds	-	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>2,173</u>	<u>-</u>	<u>240</u>
Total liabilities	<u>164</u>	<u>159</u>	<u>2,396</u>	<u>1</u>	<u>306</u>
<b>Net Position</b>					
Net investment in capital assets	8,804	14,751	10,592	539	(96)
Restricted for debt service	-	-	-	-	-
Restricted for housing operations	-	-	-	-	158
Unrestricted	34	130	403	118	39
Total net position	<u>\$ 8,838</u>	<u>\$ 14,881</u>	<u>\$ 10,995</u>	<u>\$ 657</u>	<u>\$ 101</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**December 31, 2014**  
(amounts expressed in thousands)

	Scattered Sites	Larchmont/ Wildflower	Locally Funded Projects	Riverview Plaza Commercial	San Carlos Shelter Plus Care
<b>Assets</b>					
Current assets:					
Cash and investments	\$ 59	\$ 323	\$ 961	\$ 439	\$ -
Restricted cash and investments	8	6	48	6	-
Accounts receivable (net)	1	1	6	2	-
Due from other funds	-	-	24	-	-
Due from other governments	-	-	-	-	-
Prepaid items	-	-	-	-	-
Total current assets	<u>68</u>	<u>330</u>	<u>1,039</u>	<u>447</u>	<u>-</u>
Noncurrent assets:					
Restricted cash and investments	-	-	-	-	-
Other long-term assets	-	-	-	-	-
Notes receivable	-	-	-	-	295
Advances to other funds	-	-	-	-	-
Advances to component units	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>295</u>
Capital assets:					
Land	44	116	2,269	198	-
Buildings and improvements	170	344	6,239	5,552	-
Property and equipment	-	-	89	-	-
Less accumulated depreciation	(161)	(305)	(2,702)	(3,611)	-
Total capital assets (net of accumulated depreciation)	<u>53</u>	<u>155</u>	<u>5,895</u>	<u>2,139</u>	<u>-</u>
Total noncurrent assets	<u>53</u>	<u>155</u>	<u>5,895</u>	<u>2,139</u>	<u>295</u>
Total assets	<u>121</u>	<u>485</u>	<u>6,934</u>	<u>2,586</u>	<u>295</u>
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	5	2	20	5	-
Accrued liabilities	-	1	9	3	-
Due to other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Unearned revenue	-	1	8	-	-
Current portion of long-term debt	-	-	-	-	-
Current liabilities payable from restricted assets:					
Deposit and trust liability	8	6	48	6	-
Total current liabilities	<u>13</u>	<u>10</u>	<u>85</u>	<u>14</u>	<u>-</u>
Noncurrent liabilities:					
Mortgage notes payable	-	-	-	-	-
Advances from other funds	-	-	410	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>410</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>13</u>	<u>10</u>	<u>495</u>	<u>14</u>	<u>-</u>
<b>Net Position</b>					
Net investment in capital assets	53	155	5,895	2,139	-
Restricted for debt service	-	-	-	-	-
Restricted for housing operations	-	-	-	-	-
Unrestricted	55	320	544	433	295
Total net position	<u>\$ 108</u>	<u>\$ 475</u>	<u>\$ 6,439</u>	<u>\$ 2,572</u>	<u>\$ 295</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

	Phoenix Park	City Mod Rehab	Norcade Circle	City COCC	County COCC	Villa De Novo
<b>Assets</b>						
Current assets:						
Cash and investments	\$ 414	\$ 14	\$ 40	\$ 440	\$ 162	\$ -
Restricted cash and investments	1,009	-	8	-	-	12
Accounts receivable (net)	10	-	2	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Prepaid items	2	-	-	-	-	-
Total current assets	<u>1,435</u>	<u>14</u>	<u>50</u>	<u>440</u>	<u>162</u>	<u>12</u>
Noncurrent assets:						
Restricted cash and investments	-	-	-	-	-	-
Other long-term assets	4,363	-	-	-	-	-
Notes receivable	8,469	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-
Advances to component units	2,485	-	-	-	-	-
	<u>15,317</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital assets:						
Land	456	-	45	-	-	86
Buildings and improvements	3,531	-	1,910	-	-	3,146
Property and equipment	-	-	-	-	-	-
Less accumulated depreciation	(996)	-	(40)	-	-	(247)
Total capital assets (net of accumulated depreciation)	<u>2,991</u>	<u>-</u>	<u>1,915</u>	<u>-</u>	<u>-</u>	<u>2,985</u>
Total noncurrent assets	<u>18,308</u>	<u>-</u>	<u>1,915</u>	<u>-</u>	<u>-</u>	<u>2,985</u>
Total assets	<u>19,743</u>	<u>14</u>	<u>1,965</u>	<u>440</u>	<u>162</u>	<u>2,997</u>
<b>Liabilities</b>						
Current liabilities:						
Accounts payable	53	-	3	1	1	3
Accrued liabilities	7	-	1	22	31	1
Due to other funds	-	-	11	-	-	15
Due to other governments	-	-	-	-	-	-
Unearned revenue	32	-	-	-	-	-
Current portion of long-term debt	-	-	-	-	-	-
Current liabilities payable from restricted assets:						
Deposit and trust liability	52	-	8	-	-	12
Total current liabilities	<u>144</u>	<u>-</u>	<u>23</u>	<u>23</u>	<u>32</u>	<u>31</u>
Noncurrent liabilities:						
Mortgage notes payable	-	-	-	-	-	-
Advances from other funds	232	-	2,094	-	-	-
Total noncurrent liabilities	<u>232</u>	<u>-</u>	<u>2,094</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>376</u>	<u>-</u>	<u>2,117</u>	<u>23</u>	<u>32</u>	<u>31</u>
<b>Net Position</b>						
Net investment in capital assets	2,991	-	1,915	-	-	2,985
Restricted for debt service	957	-	-	-	-	-
Restricted for housing operations	-	-	-	-	-	-
Unrestricted	15,419	14	(2,067)	417	130	(19)
Total net position	<u>\$ 19,367</u>	<u>\$ 14</u>	<u>\$ (152)</u>	<u>\$ 417</u>	<u>\$ 130</u>	<u>\$ 2,966</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

	Shelter Plus Care	Auburn/ Garfield Property Management	Foreclosure Access	Asset Repositioning	Mortgage Revenue Bond	Total
<b>Assets</b>						
Current assets:						
Cash and investments	\$ -	\$ 457	\$ 56	\$ -	\$ 5,863	\$ 15,002
Restricted cash and investments	-	7	-	-	2,412	4,262
Accounts receivable (net)	-	-	-	-	217	367
Due from other funds	-	-	-	-	422	496
Due from other governments	418	-	-	-	-	418
Prepaid items	-	-	-	-	-	5
Total current assets	<u>418</u>	<u>464</u>	<u>56</u>	<u>-</u>	<u>8,914</u>	<u>20,550</u>
Noncurrent assets:						
Restricted cash and investments	-	-	-	-	261	419
Other long-term assets	-	-	-	-	-	4,363
Notes receivable	-	-	-	19,375	949	29,088
Advances to other funds	-	-	-	-	3,634	3,634
Advances to component units	-	-	-	-	101	2,586
	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,375</u>	<u>4,945</u>	<u>40,090</u>
Capital assets:						
Land	-	-	-	438	-	13,298
Buildings and improvements	-	-	-	-	-	173,466
Property and equipment	-	-	-	-	-	956
Less accumulated depreciation	-	-	-	-	-	(66,685)
Total capital assets (net of accumulated depreciation)	<u>-</u>	<u>-</u>	<u>-</u>	<u>438</u>	<u>-</u>	<u>121,035</u>
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,813</u>	<u>4,945</u>	<u>161,125</u>
Total assets	<u>418</u>	<u>464</u>	<u>56</u>	<u>19,813</u>	<u>13,859</u>	<u>181,675</u>
<b>Liabilities</b>						
Current liabilities:						
Accounts payable	-	8	-	-	108	591
Accrued liabilities	5	-	-	-	7	240
Due to other funds	411	-	-	-	-	487
Due to other governments	-	-	-	-	748	748
Unearned revenue	-	-	-	-	-	105
Current portion of long-term debt	-	-	-	-	-	47
Current liabilities payable from restricted assets:						
Deposit and trust liability	-	7	-	-	1,664	2,557
Total current liabilities	<u>416</u>	<u>15</u>	<u>-</u>	<u>-</u>	<u>2,527</u>	<u>4,775</u>
Noncurrent liabilities:						
Mortgage notes payable	-	-	-	-	-	2,413
Advances from other funds	-	-	-	-	-	2,736
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,149</u>
Total liabilities	<u>416</u>	<u>15</u>	<u>-</u>	<u>-</u>	<u>2,527</u>	<u>9,924</u>
<b>Net Position</b>						
Net investment in capital assets	-	-	-	438	-	118,575
Restricted for debt service	-	-	-	-	200	1,157
Restricted for housing operations	-	-	-	-	61	219
Unrestricted	2	449	56	19,375	11,071	51,800
Total net position	<u>\$ 2</u>	<u>\$ 449</u>	<u>\$ 56</u>	<u>\$ 19,813</u>	<u>\$ 11,332</u>	<u>\$ 171,751</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	City AMP 1	City AMP 2	City AMP 4	City AMP 5	City AMP 7
Operating revenues:					
Charges for services	\$ 668	\$ 663	\$ 427	\$ 500	\$ 473
Miscellaneous	28	54	83	44	37
Total operating revenues	<u>696</u>	<u>717</u>	<u>510</u>	<u>544</u>	<u>510</u>
Operating expenses:					
Employee services	569	612	407	341	318
Administrative services	323	352	215	195	181
Services and supplies	817	961	568	578	487
Utilities	294	319	264	271	202
Claims and judgements	-	-	-	-	-
Depreciation/amortization	145	497	594	997	367
Housing assistance payments	-	-	-	-	-
Total operating expenses	<u>2,148</u>	<u>2,741</u>	<u>2,048</u>	<u>2,382</u>	<u>1,555</u>
Operating income (loss)	<u>(1,452)</u>	<u>(2,024)</u>	<u>(1,538)</u>	<u>(1,838)</u>	<u>(1,045)</u>
Nonoperating revenues (expenses):					
Intergovernmental	1,475	1,741	784	817	726
Investment earnings	12	16	6	6	9
Interest expense	-	-	-	-	-
Total nonoperating revenues (expenses)	<u>1,487</u>	<u>1,757</u>	<u>790</u>	<u>823</u>	<u>735</u>
Income (loss) before contributions, special item and transfers	35	(267)	(748)	(1,015)	(310)
Capital contributions	145	241	2,186	1,531	1,771
Transfers in	55	75	70	226	62
Transfers out	(175)	-	-	-	-
Change in net position before special item	<u>60</u>	<u>49</u>	<u>1,508</u>	<u>742</u>	<u>1,523</u>
Special Item:					
Special item-SHARP sale transaction	-	-	-	-	-
Change in net position	<u>60</u>	<u>49</u>	<u>1,508</u>	<u>742</u>	<u>1,523</u>
Net position, beginning	4,812	15,211	14,418	23,274	10,399
Net position, ending	<u>\$ 4,872</u>	<u>\$ 15,260</u>	<u>\$ 15,926</u>	<u>\$ 24,016</u>	<u>\$ 11,922</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>County AMP 1</u>	<u>County AMP 2</u>	<u>County AMP 3</u>	<u>County AMP 4</u>	<u>San Jose/ Broadway</u>
Operating revenues:					
Charges for services	\$ 362	\$ 647	\$ 737	\$ -	\$ 49
Miscellaneous	10	8	7	-	-
Total operating revenues	<u>372</u>	<u>655</u>	<u>744</u>	<u>-</u>	<u>49</u>
Operating expenses:					
Employee services	352	438	585	-	27
Administrative services	196	239	264	(1)	18
Services and supplies	498	652	863	6	91
Utilities	181	255	287	5	26
Claims and judgements	-	-	3	-	-
Depreciation/amortization	324	463	424	22	32
Housing assistance payments	21	11	15	-	4
Total operating expenses	<u>1,572</u>	<u>2,058</u>	<u>2,441</u>	<u>32</u>	<u>198</u>
Operating income (loss)	<u>(1,200)</u>	<u>(1,403)</u>	<u>(1,697)</u>	<u>(32)</u>	<u>(149)</u>
Nonoperating revenues (expenses):					
Intergovernmental	636	773	1,033	17	186
Investment earnings	1	2	6	2	1
Interest expense	-	-	-	-	(26)
Total nonoperating revenues (expenses)	<u>637</u>	<u>775</u>	<u>1,039</u>	<u>19</u>	<u>161</u>
Income (loss) before contributions, special item and transfers	(563)	(628)	(658)	(13)	12
Capital contributions	-	2,092	250	24	-
Transfers in	175	120	112	-	-
Transfers out	-	-	-	-	-
Change in net position before special item	<u>(388)</u>	<u>1,584</u>	<u>(296)</u>	<u>11</u>	<u>12</u>
Special Item:					
Special item-SHARP sale transaction	-	-	-	-	-
Change in net position	<u>(388)</u>	<u>1,584</u>	<u>(296)</u>	<u>11</u>	<u>12</u>
Net position, beginning	<u>9,226</u>	<u>13,297</u>	<u>11,291</u>	<u>646</u>	<u>89</u>
Net position, ending	<u>\$ 8,838</u>	<u>\$ 14,881</u>	<u>\$ 10,995</u>	<u>\$ 657</u>	<u>\$ 101</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Scattered Sites</u>	<u>Larchmont/ Wildflower</u>	<u>Locally Funded Projects</u>	<u>Riverview Plaza Commercial</u>	<u>San Carlos Shelter Plus Care</u>
Operating revenues:					
Charges for services	\$ 47	\$ 73	\$ 493	\$ 136	\$ -
Miscellaneous	2	-	5	-	-
Total operating revenues	<u>49</u>	<u>73</u>	<u>498</u>	<u>136</u>	<u>-</u>
Operating expenses:					
Employee services	16	46	211	35	-
Administrative services	11	9	79	-	-
Services and supplies	43	17	260	51	-
Utilities	14	17	94	62	-
Claims and judgements	-	-	-	-	-
Depreciation/amortization	4	9	147	140	-
Housing assistance payments	-	-	-	-	-
Total operating expenses	<u>88</u>	<u>98</u>	<u>791</u>	<u>288</u>	<u>-</u>
Operating income (loss)	<u>(39)</u>	<u>(25)</u>	<u>(293)</u>	<u>(152)</u>	<u>-</u>
Nonoperating revenues (expenses):					
Intergovernmental	55	51	215	-	-
Investment earnings	-	3	10	5	-
Interest expense	-	-	-	-	-
Total nonoperating revenues (expenses)	<u>55</u>	<u>54</u>	<u>225</u>	<u>5</u>	<u>-</u>
Income (loss) before contributions, special item and transfers	16	29	(68)	(147)	-
Capital contributions	-	-	208	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(23)
Change in net position before special item	<u>16</u>	<u>29</u>	<u>140</u>	<u>(147)</u>	<u>(23)</u>
Special Item:					
Special item-SHARP sale transaction	-	-	-	-	-
Change in net position	<u>16</u>	<u>29</u>	<u>140</u>	<u>(147)</u>	<u>(23)</u>
Net position (deficit), beginning	92	446	6,299	2,719	318
Net position, ending	<u>\$ 108</u>	<u>\$ 475</u>	<u>\$ 6,439</u>	<u>\$ 2,572</u>	<u>\$ 295</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	Phoenix Park	City Mod Rehab	Norcade Circle	City COCC	County COCC	Villa De Novo
Operating revenues:						
Charges for services	\$ 822	\$ -	\$ 100	\$ 2,465	\$ 3,106	\$ 122
Miscellaneous	12	-	1	22	-	1
Total operating revenues	<u>834</u>	<u>-</u>	<u>101</u>	<u>2,487</u>	<u>3,106</u>	<u>123</u>
Operating expenses:						
Employee services	145	-	23	749	1,097	24
Administrative services	87	-	-	1,235	2,149	15
Services and supplies	728	-	31	121	155	41
Utilities	65	-	17	1	-	15
Claims and judgements	-	-	-	-	-	-
Depreciation/amortization	88	-	9	-	-	79
Housing assistance payments	-	159	-	-	-	-
Total operating expenses	<u>1,113</u>	<u>159</u>	<u>80</u>	<u>2,106</u>	<u>3,401</u>	<u>174</u>
Operating income (loss)	<u>(279)</u>	<u>(159)</u>	<u>21</u>	<u>381</u>	<u>(295)</u>	<u>(51)</u>
Nonoperating revenues (expenses):						
Intergovernmental	310	201	-	-	-	-
Investment earnings	4,396	-	-	1	-	-
Interest expense	(10)	-	-	-	-	-
Total nonoperating revenues (expenses)	<u>4,696</u>	<u>201</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>
Income (loss) before contributions, special item and transfers	4,417	42	21	382	(295)	(51)
Capital contributions	-	-	-	-	-	-
Transfers in	-	-	-	-	-	30
Transfers out	-	(28)	-	(3,024)	(2,491)	-
Change in net position before special item	<u>4,417</u>	<u>14</u>	<u>21</u>	<u>(2,642)</u>	<u>(2,786)</u>	<u>(21)</u>
Special Item:						
Special item-SHARP sale transaction	-	-	-	-	-	-
Change in net position	<u>4,417</u>	<u>14</u>	<u>21</u>	<u>(2,642)</u>	<u>(2,786)</u>	<u>(21)</u>
Net position (deficit), beginning	<u>14,950</u>	<u>-</u>	<u>(173)</u>	<u>3,059</u>	<u>2,916</u>	<u>2,987</u>
Net position, ending	<u>\$ 19,367</u>	<u>\$ 14</u>	<u>\$ (152)</u>	<u>\$ 417</u>	<u>\$ 130</u>	<u>\$ 2,966</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	Shelter Plus Care	Auburn/ Garfield Property Management	Foreclosure Access	Asset Repositioning	Mortgage Revenue Bond	Total
Operating revenues:						
Charges for services	\$ -	\$ 120	\$ 22	\$ -	\$ 1,508	\$ 13,540
Miscellaneous	-	-	-	-	479	793
Total operating revenues	<u>-</u>	<u>120</u>	<u>22</u>	<u>-</u>	<u>1,987</u>	<u>14,333</u>
Operating expenses:						
Employee services	76	-	-	-	511	6,582
Administrative services	-	-	-	-	497	6,064
Services and supplies	11	83	-	-	818	7,880
Utilities	-	28	-	-	-	2,417
Claims and judgements	-	-	-	-	-	3
Depreciation/amortization	-	-	-	21	-	4,362
Housing assistance payments	4,725	-	-	-	-	4,935
Total operating expenses	<u>4,812</u>	<u>111</u>	<u>-</u>	<u>21</u>	<u>1,826</u>	<u>32,243</u>
Operating income (loss)	<u>(4,812)</u>	<u>9</u>	<u>22</u>	<u>(21)</u>	<u>161</u>	<u>(17,910)</u>
Nonoperating revenues (expenses):						
Intergovernmental	4,812	-	-	-	-	13,832
Investment earnings	-	5	-	-	183	4,664
Interest expense	-	-	-	-	-	(36)
Total nonoperating revenues (expenses)	<u>4,812</u>	<u>5</u>	<u>-</u>	<u>-</u>	<u>183</u>	<u>18,460</u>
Income (loss) before contributions, special item and transfers	-	14	22	(21)	344	550
Capital contributions	-	-	-	5,601	-	14,049
Transfers in	-	-	-	989	-	1,914
Transfers out	-	-	-	-	-	(5,741)
Change in net position before special item	<u>-</u>	<u>14</u>	<u>22</u>	<u>6,569</u>	<u>344</u>	<u>10,772</u>
Special Item:						
Special item-SHARP sale transaction	-	-	-	7,200	-	7,200
Change in net position	<u>-</u>	<u>14</u>	<u>22</u>	<u>13,769</u>	<u>344</u>	<u>17,972</u>
Net position (deficit), beginning	<u>2</u>	<u>435</u>	<u>34</u>	<u>6,044</u>	<u>10,988</u>	<u>153,779</u>
Net position, ending	<u>\$ 2</u>	<u>\$ 449</u>	<u>\$ 56</u>	<u>\$ 19,813</u>	<u>\$ 11,332</u>	<u>\$ 171,751</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	City AMP 1	City AMP 2	City AMP 4	City AMP 5	City AMP 7
Cash flows from operating activities:					
Cash receipts from tenants	\$ 725	\$ 725	\$ 593	\$ 569	\$ 536
Cash paid to tenants	-	-	(1)	-	-
Cash paid to suppliers for goods and services	(1,071)	(1,267)	(814)	(831)	(676)
Cash paid to employees for services	(567)	(606)	(404)	(337)	(318)
Cash paid for administrative expense	(323)	(352)	(215)	(195)	(181)
Cash paid for housing assistance payments	-	-	-	-	-
Cash paid for judgment and claims	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>(1,236)</u>	<u>(1,500)</u>	<u>(841)</u>	<u>(794)</u>	<u>(639)</u>
Cash flows from noncapital financing activities:					
Transfers in	34	64	49	216	62
Transfers out	-	-	-	-	-
Intergovernmental revenue received	1,477	1,741	783	816	726
Net cash provided by (used in) noncapital financing activities	<u>1,511</u>	<u>1,805</u>	<u>832</u>	<u>1,032</u>	<u>788</u>
Cash flows from capital and related financing activities:					
Purchase of capital assets	-	-	-	-	-
Payments on long-term liabilities	-	-	-	-	-
Interest paid	-	-	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:					
Payment received on notes receivable	-	-	-	-	-
Interest received	12	16	6	6	9
Net cash provided by investing activities	<u>12</u>	<u>16</u>	<u>6</u>	<u>6</u>	<u>9</u>
Net increase (decrease) in cash and cash equivalents	287	321	(3)	244	158
Cash and cash equivalents, beginning, as restated	<u>1,043</u>	<u>1,322</u>	<u>596</u>	<u>474</u>	<u>882</u>
Cash and cash equivalents, ending	<u>\$ 1,330</u>	<u>\$ 1,643</u>	<u>\$ 593</u>	<u>\$ 718</u>	<u>\$ 1,040</u>
Reconciliation of cash and cash equivalents to the statement of net position:					
Cash and investments	\$ 1,227	\$ 1,517	\$ 511	\$ 645	\$ 964
Restricted cash and investments	<u>103</u>	<u>126</u>	<u>82</u>	<u>73</u>	<u>76</u>
Total	<u>\$ 1,330</u>	<u>\$ 1,643</u>	<u>\$ 593</u>	<u>\$ 718</u>	<u>\$ 1,040</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	County AMP 1	County AMP 2	County AMP 3	County AMP 4	San Jose Broadway
Cash flows from operating activities:					
Cash receipts from tenants	\$ 380	\$ 704	\$ 931	\$ 5	\$ 48
Cash paid to tenants	-	-	-	-	-
Cash paid to suppliers for goods and services	(692)	(894)	(1,116)	(357)	(111)
Cash paid to employees for services	(346)	(433)	(573)	(10)	(25)
Cash paid for administrative expense	(196)	(239)	(264)	-	(18)
Cash paid for housing assistance payments	(21)	(11)	(15)	-	(4)
Cash paid for judgment and claims	-	-	(3)	-	-
Net cash provided by (used in) operating activities	<u>(875)</u>	<u>(873)</u>	<u>(1,040)</u>	<u>(362)</u>	<u>(110)</u>
Cash flows from noncapital financing activities:					
Transfers in	175	120	112	-	-
Transfers out	-	-	-	-	-
Intergovernmental revenue received	636	772	1,032	17	186
Net cash provided by (used in) noncapital financing activities	<u>811</u>	<u>892</u>	<u>1,144</u>	<u>17</u>	<u>186</u>
Cash flows from capital and related financing activities:					
Purchase of capital assets	-	-	-	-	-
Payments on long-term liabilities	-	-	-	-	(43)
Interest paid	-	-	-	-	(26)
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(69)</u>
Cash flows from investing activities:					
Payment received on notes receivable	-	-	-	-	-
Interest received	1	2	6	2	1
Net cash provided by investing activities	<u>1</u>	<u>2</u>	<u>6</u>	<u>2</u>	<u>1</u>
Net increase (decrease) in cash and cash equivalents	(63)	21	110	(343)	8
Cash and cash equivalents, beginning, as restated	<u>255</u>	<u>254</u>	<u>447</u>	<u>462</u>	<u>203</u>
Cash and cash equivalents, ending	<u>\$ 192</u>	<u>\$ 275</u>	<u>\$ 557</u>	<u>\$ 119</u>	<u>\$ 211</u>
Reconciliation of cash and cash equivalents to the statement of net position:					
Cash and investments	\$ 132	\$ 175	\$ 438	\$ 119	\$ 46
Restricted cash and investments	<u>60</u>	<u>100</u>	<u>119</u>	<u>-</u>	<u>165</u>
Total	<u>\$ 192</u>	<u>\$ 275</u>	<u>\$ 557</u>	<u>\$ 119</u>	<u>\$ 211</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Scattered Sites</u>	<u>Larchmont Wildflower</u>	<u>Locally Funded Projects</u>	<u>Riverview Plaza Commercial</u>	<u>San Carlos Shelter Plus Care</u>	<u>Greenfair</u>
Cash flows from operating activities:						
Cash receipts from tenants	\$ 56	\$ 74	\$ 584	\$ 134	\$ -	\$ -
Cash paid to tenants	-	-	-	-	-	-
Cash paid to suppliers for goods and services	(53)	(32)	(344)	(110)	-	(1)
Cash paid to employees for services	(16)	(46)	(210)	(32)	-	-
Cash paid for administrative expense	(11)	(9)	(79)	-	-	-
Cash paid for housing assistance payments	-	-	-	-	-	-
Cash paid for judgment and claims	-	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>(24)</u>	<u>(13)</u>	<u>(49)</u>	<u>(8)</u>	<u>-</u>	<u>(1)</u>
Cash flows from noncapital financing activities:						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(23)	-
Intergovernmental revenue received	55	51	215	-	-	-
Net cash provided by (used in) noncapital financing activities	<u>55</u>	<u>51</u>	<u>215</u>	<u>-</u>	<u>(23)</u>	<u>-</u>
Cash flows from capital and related financing activities:						
Purchase of capital assets	-	-	(204)	-	-	-
Payments on long-term liabilities	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>(204)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:						
Payment received on notes receivable	-	-	-	-	-	-
Interest received	-	3	10	5	-	-
Net cash provided by investing activities	<u>-</u>	<u>3</u>	<u>10</u>	<u>5</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	31	41	(28)	(3)	(23)	(1)
Cash and cash equivalents, beginning, as restated	<u>36</u>	<u>288</u>	<u>1,037</u>	<u>448</u>	<u>23</u>	<u>1</u>
Cash and cash equivalents, ending	<u>\$ 67</u>	<u>\$ 329</u>	<u>\$ 1,009</u>	<u>\$ 445</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of cash and cash equivalents to the statement of net position:						
Cash and investments	\$ 59	\$ 323	\$ 961	\$ 439	\$ -	\$ -
Restricted cash and investments	<u>8</u>	<u>6</u>	<u>48</u>	<u>6</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 67</u>	<u>\$ 329</u>	<u>\$ 1,009</u>	<u>\$ 445</u>	<u>\$ -</u>	<u>\$ -</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Phoenix Park</u>	<u>City Mod Rehab</u>	<u>Norcade Circle</u>	<u>City COCC</u>	<u>County COCC</u>	<u>Villa De Novo</u>
Cash flows from operating activities:						
Cash receipts from tenants	\$ 933	\$ -	\$ 107	\$ 2,487	\$ 3,106	\$ 124
Cash paid to tenants	(4)	-	-	-	-	-
Cash paid to suppliers for goods and services	(854)	-	(48)	(123)	(155)	(114)
Cash paid to employees for services	(144)	-	(22)	(750)	(1,092)	(24)
Cash paid for administrative expense	(87)	-	-	(1,235)	(2,149)	(15)
Cash paid for housing assistance payments	-	(177)	-	-	-	-
Cash paid for judgment and claims	-	-	-	-	-	-
Net cash provided by (used in) operating activities	<u>(156)</u>	<u>(177)</u>	<u>37</u>	<u>379</u>	<u>(290)</u>	<u>(29)</u>
Cash flows from noncapital financing activities:						
Transfers in	-	-	-	-	-	30
Transfers out	-	(28)	-	-	-	-
Intergovernmental revenue received	310	206	-	-	-	-
Net cash provided by (used in) noncapital financing activities	<u>310</u>	<u>178</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30</u>
Cash flows from capital and related financing activities:						
Purchase of capital assets	-	-	-	-	-	-
Payments on long-term liabilities	-	-	-	-	-	-
Interest paid	(10)	-	-	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>(10)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:						
Payment received on notes receivable	-	-	-	14	13	-
Interest received	33	-	-	1	-	-
Net cash provided by investing activities	<u>33</u>	<u>-</u>	<u>-</u>	<u>15</u>	<u>13</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	177	1	37	394	(277)	1
Cash and cash equivalents, beginning, as restated	<u>1,246</u>	<u>13</u>	<u>11</u>	<u>46</u>	<u>439</u>	<u>11</u>
Cash and cash equivalents, ending	<u>\$ 1,423</u>	<u>\$ 14</u>	<u>\$ 48</u>	<u>\$ 440</u>	<u>\$ 162</u>	<u>\$ 12</u>
Reconciliation of cash and cash equivalents to the statement of net position:						
Cash and investments	\$ 414	\$ 14	\$ 40	\$ 440	\$ 162	\$ -
Restricted cash and investments	<u>1,009</u>	<u>-</u>	<u>8</u>	<u>-</u>	<u>-</u>	<u>12</u>
Total	<u>\$ 1,423</u>	<u>\$ 14</u>	<u>\$ 48</u>	<u>\$ 440</u>	<u>\$ 162</u>	<u>\$ 12</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Shelter Plus Care</u>	<u>Auburn/ Garfield Property Management</u>	<u>Foreclosure Access</u>	<u>Asset Repositioning</u>	<u>Mortgage Revenue Bond</u>	<u>Total</u>
Cash flows from operating activities:						
Cash receipts from tenants	\$ 2	\$ 120	\$ 22	\$ -	\$ 2,134	\$ 15,099
Cash paid to tenants	-	-	-	-	(543)	(548)
Cash paid to suppliers for goods and services	(13)	(105)	-	-	(5)	(9,786)
Cash paid to employees for services	(45)	-	-	-	(512)	(6,512)
Cash paid for administrative expense	-	-	-	-	(497)	(6,065)
Cash paid for housing assistance payments	(4,725)	-	-	-	-	(4,953)
Cash paid for judgment and claims	-	-	-	-	-	(3)
Net cash provided by (used in) operating activities	<u>(4,781)</u>	<u>15</u>	<u>22</u>	<u>-</u>	<u>577</u>	<u>(12,768)</u>
Cash flows from noncapital financing activities:						
Transfers in	-	-	-	-	-	862
Transfers out	-	-	-	-	-	(51)
Intergovernmental revenue received	4,781	-	-	-	-	13,804
Net cash provided by (used in) noncapital financing activities	<u>4,781</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,615</u>
Cash flows from capital and related financing activities:						
Purchase of capital assets	-	-	-	-	-	(204)
Payments on long-term liabilities	-	-	-	-	-	(43)
Interest paid	-	-	-	-	-	(36)
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(283)</u>
Cash flows from investing activities:						
Payment received on notes receivable	-	-	-	-	102	129
Interest received	-	5	-	-	183	301
Net cash provided by investing activities	<u>-</u>	<u>5</u>	<u>-</u>	<u>-</u>	<u>285</u>	<u>430</u>
Net increase (decrease) in cash and cash equivalents	-	20	22	-	862	1,994
Cash and cash equivalents, beginning, as restated	<u>-</u>	<u>444</u>	<u>34</u>	<u>-</u>	<u>7,674</u>	<u>17,689</u>
Cash and cash equivalents, ending	<u>\$ -</u>	<u>\$ 464</u>	<u>\$ 56</u>	<u>\$ -</u>	<u>\$ 8,536</u>	<u>\$ 19,683</u>
Reconciliation of cash and cash equivalents to the statement of net position:						
Cash and investments	\$ -	\$ 457	\$ 56	\$ -	\$ 5,863	\$ 15,002
Restricted cash and investments	<u>-</u>	<u>7</u>	<u>-</u>	<u>-</u>	<u>2,673</u>	<u>4,681</u>
Total	<u>\$ -</u>	<u>\$ 464</u>	<u>\$ 56</u>	<u>\$ -</u>	<u>\$ 8,536</u>	<u>\$ 19,683</u>

**Sacramento Housing and Redevelopment Agency**  
**Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>City AMP 1</u>	<u>City AMP 2</u>	<u>City AMP 4</u>	<u>City AMP 5</u>	<u>City AMP 7</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ (1,452)	\$ (2,024)	\$ (1,538)	\$ (1,838)	\$ (1,045)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation/amortization	145	497	594	997	367
Change in assets and liabilities:					
Accounts receivable	18	(8)	67	17	8
Due from other funds	-	-	-	-	-
Prepaid items	-	-	-	-	-
Accounts payable	40	13	18	18	13
Accrued liabilities	2	6	3	4	-
Due to other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Unearned revenue	6	8	1	2	5
Deposit and trust liability	5	8	14	6	13
Total adjustments	<u>216</u>	<u>524</u>	<u>697</u>	<u>1,044</u>	<u>406</u>
Net cash provided by (used in) operating activities	<u>\$ (1,236)</u>	<u>\$ (1,500)</u>	<u>\$ (841)</u>	<u>\$ (794)</u>	<u>\$ (639)</u>
Noncash Investing, Capital and Financing Activities:					
Capital assets transferred from governmental funds	\$ 145	\$ 241	\$ 2,186	\$ 1,531	\$ 1,771
Capital assets transferred from other enterprise funds	21	11	21	10	-
Loans receivables transferred to governmental funds	-	-	-	-	-
Capital asset transferred to other enterprise funds	(175)	-	-	-	-
Capital asset transferred from component unit funds	-	-	-	-	-

**Sacramento Housing and Redevelopment Agency**  
**Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>County AMP 1</u>	<u>County AMP 2</u>	<u>County AMP 3</u>	<u>County AMP 4</u>	<u>San Jose Broadway</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ (1,200)	\$ (1,403)	\$ (1,697)	\$ (32)	\$ (149)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation/amortization	324	463	424	22	32
Change in assets and liabilities:					
Accounts receivable	14	5	(2)	8	(1)
Due from other funds	-	-	144	-	-
Prepaid items	-	-	-	-	-
Accounts payable	27	13	34	(38)	6
Accrued liabilities	6	5	12	(11)	2
Due to other funds	(40)	-	-	(250)	-
Due to other governments	-	-	-	-	-
Unearned revenue	(7)	4	3	(3)	-
Deposit and trust liability	1	40	42	(58)	-
Total adjustments	<u>325</u>	<u>530</u>	<u>657</u>	<u>(330)</u>	<u>39</u>
Net cash provided by (used in) operating activities	<u>\$ (875)</u>	<u>\$ (873)</u>	<u>\$ (1,040)</u>	<u>\$ (362)</u>	<u>\$ (110)</u>
Noncash Investing, Capital and Financing Activities:					
Capital assets transferred from governmental funds	\$ -	\$ 2,092	\$ 250	\$ 24	\$ -
Capital assets transferred from other enterprise funds	-	-	-	-	-
Loans receivables tranferred to governmental funds	-	-	-	-	-
Capital asset transferred to other enterprise funds	-	-	-	-	-
Capital asset transferred from component unit funds	-	-	-	-	-

**Sacramento Housing and Redevelopment Agency**  
**Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Scattered Sites</u>	<u>Larchmont Wildflower</u>	<u>Locally Funded Projects</u>	<u>Riverview Plaza Commercial</u>	<u>San Carlos Shelter Plus Care</u>	<u>Greenfair</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ (39)	\$ (25)	\$ (293)	\$ (152)	\$ -	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation/amortization	4	9	147	140	-	-
Change in assets and liabilities:						
Accounts receivable	6	1	(3)	(2)	-	-
Due from other funds	-	-	79	-	-	-
Prepaid items	-	-	-	-	-	-
Accounts payable	4	2	10	3	-	(1)
Accrued liabilities	-	-	1	3	-	-
Due to other funds	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Unearned revenue	-	-	3	-	-	-
Deposit and trust liability	1	-	7	-	-	-
Total adjustments	<u>15</u>	<u>12</u>	<u>244</u>	<u>144</u>	<u>-</u>	<u>(1)</u>
Net cash provided by (used in) operating activities	<u>\$ (24)</u>	<u>\$ (13)</u>	<u>\$ (49)</u>	<u>\$ (8)</u>	<u>\$ -</u>	<u>\$ (1)</u>
Noncash Investing, Capital and Financing Activities:						
Capital assets transferred from governmental funds	\$ -	\$ -	\$ 208	\$ -	\$ -	\$ -
Capital assets transferred from other enterprise funds	-	-	-	-	-	-
Loans receivables transferred to governmental funds	-	-	-	-	-	-
Capital asset transferred to other enterprise funds	-	-	-	-	-	-
Capital asset transferred from component unit funds	-	-	-	-	-	-

**Sacramento Housing and Redevelopment Agency**  
**Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Phoenix Park</u>	<u>City Mod Rehab</u>	<u>Norcade Circle</u>	<u>City COCC</u>	<u>County COCC</u>	<u>Villa De Novo</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ (279)	\$ (159)	\$ 21	\$ 381	\$ (295)	\$ (51)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation/amortization	88	-	9	-	-	79
Change in assets and liabilities:						
Accounts receivable	5	-	(1)	-	-	2
Due from other funds	67	-	-	-	-	-
Prepaid items	1	-	-	-	-	-
Accounts payable	(48)	-	-	(1)	-	-
Accrued liabilities	1	-	1	(1)	5	-
Due to other funds	(14)	(5)	6	-	-	(59)
Due to other governments	-	(13)	-	-	-	-
Unearned revenue	27	-	-	-	-	(1)
Deposit and trust liability	(4)	-	1	-	-	1
Total adjustments	<u>123</u>	<u>(18)</u>	<u>16</u>	<u>(2)</u>	<u>5</u>	<u>22</u>
Net cash provided by (used in) operating activities	<u>\$ (156)</u>	<u>\$ (177)</u>	<u>\$ 37</u>	<u>\$ 379</u>	<u>\$ (290)</u>	<u>\$ (29)</u>
Noncash Investing, Capital and Financing Activities:						
Capital assets transferred from governmental funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital assets transferred from other enterprise funds	-	-	-	-	-	-
Loans receivables transferred to governmental funds	-	-	-	(2,950)	(2,491)	-
Capital asset transferred to other enterprise funds	-	-	-	(74)	-	-
Capital asset transferred from component unit funds	-	-	-	-	-	-

**Sacramento Housing and Redevelopment Agency**  
**Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Shelter Plus Care</u>	<u>Auburn/ Garfield Property Management</u>	<u>Foreclosure Access</u>	<u>Asset Repositioning</u>	<u>Mortgage Revenue Bond</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ (4,812)	\$ 9	\$ 22	\$ (21)	\$ 161	\$ (17,910)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation/amortization	-	-	-	21	-	4,362
Change in assets and liabilities:						
Accounts receivable	2	-	-	-	(60)	76
Due from other funds	-	-	-	-	207	497
Prepaid items	-	-	-	-	-	1
Accounts payable	-	6	-	-	65	184
Accrued liabilities	-	-	-	-	(1)	38
Due to other funds	31	-	-	-	-	(331)
Due to other governments	(2)	-	-	-	748	733
Unearned revenue	-	-	-	-	-	48
Deposit and trust liability	-	-	-	-	(543)	(466)
Total adjustments	<u>31</u>	<u>6</u>	<u>-</u>	<u>21</u>	<u>416</u>	<u>5,142</u>
Net cash provided by (used in) operating activities	<u>\$ (4,781)</u>	<u>\$ 15</u>	<u>\$ 22</u>	<u>\$ -</u>	<u>\$ 577</u>	<u>\$ (12,768)</u>
Noncash Investing, Capital and Financing Activities:						
Capital assets transferred from governmental funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,448
Capital assets transferred from other enterprise funds	-	-	-	989	-	1,052
Loans receivables transferred to governmental funds	-	-	-	-	-	(5,441)
Capital asset transferred to other enterprise funds	-	-	-	-	-	(249)
Capital asset transferred from component unit funds	-	-	-	5,601	-	5,601

## *Internal Service Funds*

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis. Since the services and commodities are supplied exclusively to departments of a governmental jurisdiction, they are distinguishable from those public services rendered to the public in general and which are accounted for in Special Revenue, Enterprise or Fiduciary Funds.

- ◆ **Internal Support Fund** is used to account for the accumulation and allocation of costs associated with central support organizations of the Agency as well as the accumulation of funds to pay for compensated absences earned by employees.
- ◆ **Self Insurance Fund** is used to account for the costs of insurance (i.e. premiums and estimated claims liabilities) and accumulate funds for catastrophic events.

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Internal Support</u>	<u>Self Insurance</u>	<u>Total</u>
<b>Assets</b>			
Current assets:			
Cash and investments	\$ 8,625	\$ 3,565	\$ 12,190
Prepaid items	52	497	549
Total current assets	<u>8,677</u>	<u>4,062</u>	<u>12,739</u>
Noncurrent assets:			
Restricted cash and investments	549	-	549
Notes receivable	-	191	191
	<u>549</u>	<u>191</u>	<u>740</u>
Capital assets:			
Land	2,040	-	2,040
Buildings and improvements	11,510	-	11,510
Property and equipment	651	-	651
Less accumulated depreciation	(2,340)	-	(2,340)
Total capital assets (net of accumulated depreciation)	<u>11,861</u>	<u>-</u>	<u>11,861</u>
Total noncurrent assets	<u>12,410</u>	<u>191</u>	<u>12,601</u>
Total assets	<u>21,087</u>	<u>4,253</u>	<u>25,340</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	143	-	143
Accrued liabilities	300	301	601
Compensated absences	1,637	-	1,637
Current portion of long-term debt	533	-	533
Total current liabilities	<u>2,613</u>	<u>301</u>	<u>2,914</u>
Noncurrent liabilities:			
Compensated absences	949	-	949
Mortgage notes payable	9,601	-	9,601
Advances from component units	1,000	-	1,000
Total noncurrent liabilities	<u>11,550</u>	<u>-</u>	<u>11,550</u>
Total liabilities	<u>14,163</u>	<u>301</u>	<u>14,464</u>
<b>Net Position</b>			
Net investment in capital assets	1,727	-	1,727
Restricted for debt service	549	-	549
Unrestricted	4,648	3,952	8,600
Total net position	<u>\$ 6,924</u>	<u>\$ 3,952</u>	<u>\$ 10,876</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Internal Service Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Internal Support</u>	<u>Self Insurance</u>	<u>Total</u>
Operating revenues:			
Charges for services	\$ 6,266	\$ -	\$ 6,266
Miscellaneous	23	56	79
Total operating revenues	<u>6,289</u>	<u>56</u>	<u>6,345</u>
Operating expenses:			
Employee services	5,575	-	5,575
Services and supplies	1,847	47	1,894
Utilities	122	-	122
Depreciation	378	-	378
Total operating expenses	<u>7,922</u>	<u>47</u>	<u>7,969</u>
Operating income (loss)	<u>(1,633)</u>	<u>9</u>	<u>(1,624)</u>
Nonoperating revenues (expenses):			
Investment earnings	89	61	150
Interest expense	(539)	-	(539)
Total nonoperating revenues, net	<u>(450)</u>	<u>61</u>	<u>(389)</u>
Income (loss) before transfers	(2,083)	70	(2,013)
Transfers in	1,648	-	1,648
Transfers out	-	(530)	(530)
Change in net position	<u>(435)</u>	<u>(460)</u>	<u>(895)</u>
Net position, beginning	7,359	4,412	11,771
Net position, ending	<u>\$ 6,924</u>	<u>\$ 3,952</u>	<u>\$ 10,876</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Internal Support</u>	<u>Self Insurance</u>	<u>Totals</u>
Cash flows from operating activities:			
Cash receipts from interfund services provided	\$ 6,581	\$ 56	\$ 6,637
Cash paid to suppliers for goods and services	(1,999)	(473)	(2,472)
Cash paid to employees for services	(5,663)	-	(5,663)
Net cash used in operating activities	<u>(1,081)</u>	<u>(417)</u>	<u>(1,498)</u>
Cash flows from noncapital financing activities:			
Transfers in	1,648	-	1,648
Transfers out	-	(530)	(530)
Net cash provided by (used in) noncapital financing activities	<u>1,648</u>	<u>(530)</u>	<u>1,118</u>
Cash flows from capital and related financing activities:			
Purchase of capital assets	(12)	-	(12)
Payments on long-term liabilities	(505)	-	(505)
Interest paid	(539)	-	(539)
Net cash used in capital and related financing activities	<u>(1,056)</u>	<u>-</u>	<u>(1,056)</u>
Cash flows from investing activities:			
Payments received on notes receivable	-	74	74
Interest received	89	61	150
Net cash provided by investing activities	<u>89</u>	<u>135</u>	<u>224</u>
Net decrease in cash and cash equivalents	(400)	(812)	(1,212)
Cash and cash equivalents, beginning	9,574	4,377	13,951
Cash and cash equivalents, ending	<u>\$ 9,174</u>	<u>\$ 3,565</u>	<u>\$ 12,739</u>
Reconciliation of cash and cash equivalents to the statement of net position:			
Cash and investments	\$ 8,625	\$ 3,565	\$ 12,190
Restricted cash and investments	549	-	549
Total	<u>\$ 9,174</u>	<u>\$ 3,565</u>	<u>\$ 12,739</u>

**Sacramento Housing and Redevelopment Agency**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended December 31, 2014**  
**(amounts expressed in thousands)**

	<u>Internal Support</u>	<u>Self Insurance</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash used in operating activities:			
Operating income (loss)	\$ (1,633)	\$ 9	\$ (1,624)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:			
Depreciation/amortization	378	-	378
Change in assets and liabilities:			
Due from other funds	292	-	292
Prepaid items	(39)	(426)	(465)
Accounts payable	9	-	9
Accrued liabilities	(232)	-	(232)
Compensated absences	144	-	144
Total adjustments	<u>552</u>	<u>(426)</u>	<u>126</u>
Net cash used in operating activities	<u>\$ (1,081)</u>	<u>\$ (417)</u>	<u>\$ (1,498)</u>

# *Statistical Section*

This part of the Agency's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Agency's overall financial health.

**Financial Trends**-These schedules contain trend information to help the reader understand how the Agency's financial performance and well-being have changed over time.

- ◆ Net Position by Component
- ◆ Changes in Net Position
- ◆ Fund Balances of Governmental Funds
- ◆ Changes in Fund Balances of Governmental Funds

**Debt Capacity**-This schedule presents information to help the reader assess the affordability of the Agency's current levels of outstanding debt and the Agency's ability to issue additional debt in the future.

- ◆ Ratios of Outstanding Debt by Type

**Demographic and Economic Information**-This schedule offers demographic and economic indicators to help the reader understand the environment within which the Agency's financial activities take place.

- ◆ Demographic and Economic Statistics
- ◆ Principal Employers

**Operating Information**-These schedules contain service and infrastructure data to help the reader understand how the information in the Agency's financial report relates to the services the Agency provides and the activities it performs.

- ◆ Full-time Equivalent Agency Employees by Function/Program
- ◆ Operating Indicators by Function
- ◆ Capital Assets by Function

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
Net Position by Component  
For the Ten Years Ended December 31, 2014  
(amounts expressed in thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Governmental Activities:</b>					
Net investment in capital assets	\$ 49,081	\$ 70,631	\$ 76,253	\$ 107,570	\$ 119,673
Restricted	420,634	460,225	465,194	509,519	13,762
Unrestricted	(344,057)	(367,938)	(348,874)	(402,122)	107,144
Total governmental activities net position	<u>\$ 125,658</u>	<u>\$ 162,918</u>	<u>\$ 192,573</u>	<u>\$ 214,967</u>	<u>\$ 240,579</u>
<b>Business-type Activities:</b>					
Net investment in capital assets	\$ 173,114	\$ 167,935	\$ 169,602	\$ 170,496	\$ 169,031
Restricted	8,954	304	23,727	14,055	9,375
Unrestricted	18,951	35,709	15,770	22,889	23,197
Total business-type activities, net position	<u>\$ 201,019</u>	<u>\$ 203,948</u>	<u>\$ 209,099</u>	<u>\$ 207,440</u>	<u>\$ 201,603</u>
<b>Primary Government:</b>					
Net investment in capital assets	\$ 222,195	\$ 238,566	\$ 245,855	\$ 278,066	\$ 288,704
Restricted	429,588	460,529	488,921	523,574	23,137
Unrestricted	(325,106)	(332,229)	(333,104)	(379,233)	130,341
Total primary government net position	<u>\$ 326,677</u>	<u>\$ 366,866</u>	<u>\$ 401,672</u>	<u>\$ 422,407</u>	<u>\$ 442,182</u>

Note: The negative unrestricted net position are mainly the result of redevelopment debt that does not produce capital assets.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
 Net Position by Component  
 For the Ten Years Ended December 31, 2014  
 (amounts expressed in thousands)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Governmental Activities:</b>					
Net investment in capital assets	\$ 130,643	\$ 118,952	\$ 52,784	\$ 44,836	\$ 25,342
Restricted	13,597	13,738	129,376	303,784	312,809
Unrestricted	98,320	102,274	175,243	5,120	(1,552)
Total governmental activities net position	<u>\$ 242,560</u>	<u>\$ 234,964</u>	<u>\$ 357,403</u>	<u>\$ 353,740</u>	<u>\$ 336,599</u>
<b>Business-type Activities:</b>					
Net investment in capital assets	\$ 158,391	\$ 160,344	\$ 163,561	\$ 160,586	\$ 173,029
Restricted	8,557	8,487	6,836	2,436	3,336
Unrestricted	27,714	27,040	22,176	29,539	55,671
Total business-type activities, net position	<u>\$ 194,662</u>	<u>\$ 195,871</u>	<u>\$ 192,573</u>	<u>\$ 192,561</u>	<u>\$ 232,036</u>
<b>Primary Government:</b>					
Net investment in capital assets	\$ 289,034	\$ 279,296	\$ 216,345	\$ 205,422	\$ 198,371
Restricted	22,154	22,225	136,212	306,220	316,145
Unrestricted	126,034	129,314	197,419	34,659	54,119
Total primary government net position	<u>\$ 437,222</u>	<u>\$ 430,835</u>	<u>\$ 549,976</u>	<u>\$ 546,301</u>	<u>\$ 568,635</u>

Note: The negative unrestricted net position are mainly the result of redevelopment debt that does not produce capital assets.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
Changes In Net Position  
For the Ten Years Ended December 31, 2014  
(amounts expressed in thousands)

	2005	2006	2007	2008	2009
<b>Expenses:</b>					
Governmental activities:					
Housing operations	\$ 7,017	\$ 3,200	\$ 1,549	\$ 1,629	\$ 1,588
Community development	64,151	72,164	88,388	86,887	77,762
Community social services	3,231	2,796	3,179	3,580	3,586
Interest expense	11,737	15,826	16,725	19,124	18,280
Total governmental activities expenses	<u>86,136</u>	<u>93,986</u>	<u>109,841</u>	<u>111,220</u>	<u>101,216</u>
Business-type activities:					
Local housing	3,516	2,922	7,370	8,152	7,022
Public housing	21,605	22,647	18,706	16,170	19,615
Housing choice vouchers	93,425	87,790	95,218	101,105	102,348
Total business-type activities expenses	<u>118,546</u>	<u>113,359</u>	<u>121,294</u>	<u>125,427</u>	<u>128,985</u>
Total primary government expenses	<u>204,682</u>	<u>207,345</u>	<u>231,135</u>	<u>236,647</u>	<u>230,201</u>
<b>Program Revenues:</b>					
Governmental activities:					
Charges for services:					
Housing operations	1,152	1,371	1,582	1,557	1,307
Community development	117	31	76	50	39
Operating grants and contributions:					
Housing operations	743	508	231	-	-
Community development	39,296	51,620	45,328	23,813	39,289
Community social services	1,802	1,665	1,817	1,952	1,656
Capital grants and contributions:					
Housing operations	7,594	4,143	7,312	5,996	7,669
Total governmental activities program revenues	<u>50,704</u>	<u>59,338</u>	<u>56,346</u>	<u>33,368</u>	<u>49,960</u>
Business-type activities:					
Charges for services:					
Local housing	885	936	5,526	3,384	1,588
Public housing	7,268	7,070	2,776	7,397	7,422
Housing choice vouchers	2,439	-	-	-	-
Operating grants and contributions:					
Local housing	1,430	754	803	816	786
Public housing	7,770	7,882	7,393	7,833	8,314
Housing choice vouchers	98,589	102,480	94,595	88,544	98,196
Capital grants and contributions:					
Local housing	-	-	-	-	-
Total business-type activities program revenues	<u>118,381</u>	<u>119,122</u>	<u>111,093</u>	<u>107,974</u>	<u>116,306</u>
Total primary government program revenues	<u>169,085</u>	<u>178,460</u>	<u>167,439</u>	<u>141,342</u>	<u>166,266</u>
<b>Net (Expenses) Revenue:</b>					
Governmental activities	(35,432)	(34,648)	(53,495)	(77,852)	(51,256)
Business-type activities	(165)	5,763	(10,201)	(17,453)	(12,679)
Total primary government net expense	<u>(35,597)</u>	<u>(28,885)</u>	<u>(63,696)</u>	<u>(95,305)</u>	<u>(63,935)</u>

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
Changes In Net Position  
For the Ten Years Ended December 31, 2014  
(amounts expressed in thousands)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Expenses:</b>					
Governmental activities:					
Housing operations	\$ 3,837	\$ 2,512	\$ 9,477	\$ 10,700	\$ 12,349
Community development	97,044	89,525	18,048	25,677	28,219
Community social services	9,133	5,848	2,860	2,946	3,745
Interest expense	17,632	16,859	953	894	859
Total governmental activities expenses	<u>127,646</u>	<u>114,744</u>	<u>31,338</u>	<u>40,217</u>	<u>45,172</u>
Business-type activities:					
Local housing	3,745	7,256	8,701	9,084	9,954
Public housing	27,801	22,985	24,009	24,133	22,655
Housing choice vouchers	107,162	111,496	112,774	110,757	108,443
Total business-type activities expenses	<u>138,708</u>	<u>141,737</u>	<u>145,484</u>	<u>143,974</u>	<u>141,052</u>
Total primary government expenses	<u>266,354</u>	<u>256,481</u>	<u>176,822</u>	<u>184,191</u>	<u>186,224</u>
<b>Program Revenues:</b>					
Governmental activities:					
Charges for services:					
Housing operations	1,499	1,370	1,410	1,533	698
Community development	138	63	9	-	9
Operating grants and contributions:					
Housing operations	41	109	452	1,802	1,496
Community development	46,056	33,742	25,940	13,458	32,874
Community social services	7,447	4,914	2,686	2,998	4,109
Capital grants and contributions:					
Housing operations	6,854	15,211	7,717	8,698	5,172
Total governmental activities program revenues	<u>62,035</u>	<u>55,409</u>	<u>38,214</u>	<u>28,489</u>	<u>44,358</u>
Business-type activities:					
Charges for services:					
Local housing	1,299	1,321	1,420	1,581	3,715
Public housing	6,231	5,804	5,394	5,560	6,000
Housing choice vouchers	-	-	-	-	47
Operating grants and contributions:					
Local housing	703	3,841	5,331	5,177	5,830
Public housing	10,277	10,261	9,940	8,767	10,020
Housing choice vouchers	110,003	110,933	112,118	107,185	110,214
Capital grants and contributions:					
Local housing	-	-	-	4,481	5,601
Total business-type activities program revenues	<u>128,513</u>	<u>132,160</u>	<u>134,203</u>	<u>132,751</u>	<u>141,427</u>
Total primary government program revenues	<u>190,548</u>	<u>187,569</u>	<u>172,417</u>	<u>161,240</u>	<u>185,785</u>
<b>Net (Expenses) Revenue:</b>					
Governmental activities	(65,611)	(59,335)	6,876	(11,728)	(814)
Business-type activities	(10,195)	(9,577)	(11,281)	(11,223)	375
Total primary government net expense	<u>(75,806)</u>	<u>(68,912)</u>	<u>(4,405)</u>	<u>(22,951)</u>	<u>(439)</u>

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
Changes In Net Position  
For the Ten Years Ended December 31, 2014  
(amounts expressed in thousands)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>General revenues, transfers and changes in net position:</b>					
Governmental activities:					
Tax increment	\$ 50,173	\$ 50,219	\$ 71,839	\$ 70,163	\$ 67,792
Investment earnings	7,464	16,917	19,360	13,693	9,856
Gain/(loss) on disposal of capital assets	(364)	(2,316)	-	-	-
Income from assets held for resale	5,613	-	-	-	-
Miscellaneous	2,201	3,398	1,335	4,096	3,121
Special items	-	-	-	27,623	2,250
Transfers	(9,520)	3,690	(9,384)	(15,329)	(6,151)
Total governmental activities	<u>55,567</u>	<u>71,908</u>	<u>83,150</u>	<u>100,246</u>	<u>76,868</u>
Business-type activities:					
Investment earnings	112	531	1,038	556	390
Gain on sale of capital assets	29	5,239	3,466	-	-
Miscellaneous	995	1,316	1,464	873	301
Special items	-	-	-	(964)	-
Transfers	9,520	(3,690)	9,384	15,329	6,151
Total business-type activities	<u>10,656</u>	<u>3,396</u>	<u>15,352</u>	<u>15,794</u>	<u>6,842</u>
Total primary government	<u>66,223</u>	<u>75,304</u>	<u>98,502</u>	<u>116,040</u>	<u>83,710</u>
<b>Change in net position before extraordinary item:</b>					
Governmental activities	20,135	37,260	29,655	22,394	25,612
Business-type activities	10,491	9,159	5,151	(1,659)	(5,837)
Total primary government before extraordinary item	<u>30,626</u>	<u>46,419</u>	<u>34,806</u>	<u>20,735</u>	<u>19,775</u>
Extraordinary item - Governmental activities	-	-	-	-	-
<b>Change in net position:</b>					
Governmental activities	-	-	-	-	-
Business-type activities	-	-	-	-	-
Total primary government	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
 Changes In Net Position  
 For the Ten Years Ended December 31, 2014  
 (amounts expressed in thousands)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>General revenues, transfers and changes in net position:</b>					
Governmental activities:					
Tax increment	\$ 61,367	\$ 52,083	\$ -	\$ -	\$ -
Investment earnings	6,099	7,537	4,022	2,634	4,387
Gain/(loss) on disposal of capital assets	-	-	-	-	-
Income from assets held for resale	-	-	-	-	-
Miscellaneous	2,586	1,582	1,938	1,304	5,612
Special items	-	-	-	-	-
Transfers	(2,460)	(9,463)	(6,559)	(8,019)	(15,338)
Total governmental activities	<u>67,592</u>	<u>51,739</u>	<u>(599)</u>	<u>(4,081)</u>	<u>(5,339)</u>
Business-type activities:					
Investment earnings	378	610	697	1,072	4,735
Gain on sale of capital assets	-	-	-	-	-
Miscellaneous	416	713	727	751	839
Special items	-	-	-	1,369	7,200
Transfers	2,460	9,463	6,559	8,019	15,338
Total business-type activities	<u>3,254</u>	<u>10,786</u>	<u>7,983</u>	<u>11,211</u>	<u>28,112</u>
Total primary government	<u>70,846</u>	<u>62,525</u>	<u>7,384</u>	<u>7,130</u>	<u>22,773</u>
<b>Change in net position before extraordinary item:</b>					
Governmental activities	1,981	(7,596)	6,277	(15,809)	(6,153)
Business-type activities	(6,941)	1,209	(3,298)	(12)	28,487
Total primary government before extraordinary item	<u>(4,960)</u>	<u>(6,387)</u>	<u>2,979</u>	<u>(15,821)</u>	<u>22,334</u>
Extraordinary item - Governmental activities	<u>-</u>	<u>-</u>	<u>116,162</u>	<u>-</u>	<u>-</u>
<b>Change in net position:</b>					
Governmental activities	-	-	122,439	(15,809)	(6,153)
Business-type activities	-	-	(3,298)	(12)	28,487
Total primary government	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119,141</u>	<u>\$ (15,821)</u>	<u>\$ 22,334</u>

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
Fund Balances of Governmental Funds  
For the Ten Years Ended December 31, 2014  
(amounts expressed in thousands)

	2005	2006	2007	2008	2009
Major funds:					
Reserved	\$176,196	\$ 152,664	\$ 141,873	\$ 194,044	\$ -
Unreserved, reported in:					
Debt service funds	282	2,792	6,517	-	-
Capital projects funds	1,035	2,366	(6,661)	(6,377)	-
Nonspendable:					
Long-term receivables	-	-	-	-	43,705
Prepaid items	-	-	-	-	26
Restricted for:					
Debt service reserves	-	-	-	-	934
Housing	-	-	-	-	-
Community development	-	-	-	-	-
Committed for:					
Housing	-	-	-	-	-
Community development	-	-	-	-	85,386
Assigned for:					
Housing	-	-	-	-	-
Community development	-	-	-	-	1,433
Debt service	-	-	-	-	4,703
Unassigned	-	-	-	-	-
Total major funds	<u>\$177,513</u>	<u>\$ 157,822</u>	<u>\$ 141,729</u>	<u>\$ 187,667</u>	<u>\$ 136,187</u>
Other governmental funds:					
Reserved	\$158,249	\$ 192,466	\$ 198,206	\$ 211,442	\$ -
Unreserved, reported in:					
Special revenue funds	6,886	8,986	20,538	17,777	-
Debt service funds	7,999	9,546	14,409	(845)	-
Capital projects funds	4,320	4,502	(339)	4,408	-
Nonspendable:					
Long-term receivables	-	-	-	-	91,921
Prepaid items	-	-	-	-	8
Restricted for:					
Debt service reserves	-	-	-	-	12,222
Housing	-	-	-	-	61
Community development	-	-	-	-	-
Community services	-	-	-	-	-
Committed for:					
Housing projects	-	-	-	-	15,761
Community development projects	-	-	-	-	131,054
Community service projects	-	-	-	-	278
Assigned for:					
Debt service	-	-	-	-	4,156
Housing	-	-	-	-	7,241
Community development	-	-	-	-	7,875
Community services	-	-	-	-	-
Unassigned	-	-	-	-	(9,315)
Total other governmental funds	<u>\$177,454</u>	<u>\$ 215,500</u>	<u>\$ 232,814</u>	<u>\$ 232,782</u>	<u>\$ 261,262</u>
Total governmental Funds	<u>\$354,967</u>	<u>\$ 373,322</u>	<u>\$ 374,543</u>	<u>\$ 420,449</u>	<u>\$ 397,449</u>

Note: The governmental fund balances do not include long-term debt or capital assets.

The Agency implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* for the year ended December 31, 2009. Statement No. 54 is intended to improve the usefulness of information provided to financial report users about fund balance by providing clearer, more structured fund balance classifications.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
Fund Balances of Governmental Funds  
For the Ten Years Ended December 31, 2014  
(amounts expressed in thousands)

	2010	2011	2012	2013	2014
Major funds:					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Debt service funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable:					
Long-term receivables	48,549	52,912	45,488	61,175	-
Prepaid items	-	-	-	-	-
Restricted for:					
Debt service reserves	934	1,038	-	-	-
Housing	-	-	-	21,239	76,524
Community development	-	-	-	2,954	1,207
Committed for:					
Housing	-	-	17,683	-	-
Community development	70,660	58,313	-	-	-
Assigned for:					
Housing	-	-	6,960	-	-
Community development	2,418	1,183	-	-	-
Debt service	-	-	-	-	-
Unassigned	(3,718)	(6,343)	-	-	-
Total major funds	<u>\$ 118,843</u>	<u>\$ 107,103</u>	<u>\$ 70,131</u>	<u>\$ 85,368</u>	<u>\$ 77,731</u>
Other governmental funds:					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Debt service funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable:					
Long-term receivables	103,151	113,752	79,895	64,587	-
Prepaid items	-	-	-	-	-
Restricted for:					
Debt service reserves	12,056	12,093	211	435	96
Housing	61	61	61	14,962	72,896
Community development	-	-	-	6,864	17,507
Community services	-	-	-	116	127
Committed for:					
Housing projects	13,794	6,817	10,288	1,882	-
Community development projects	114,028	100,398	4,035	638	-
Community service projects	-	77	85	-	-
Assigned for:					
Debt service	968	400	-	-	-
Housing	5,460	6,209	6,478	3,859	-
Community development	7,480	14,159	1,051	176	177
Community services	16	80	-	-	-
Unassigned	(12,853)	(11,003)	(4,466)	(2,776)	(2,459)
Total other governmental funds	<u>\$ 244,161</u>	<u>\$ 243,043</u>	<u>\$ 97,638</u>	<u>\$ 90,743</u>	<u>\$ 88,344</u>
Total governmental Funds	<u>\$ 363,004</u>	<u>\$ 350,146</u>	<u>\$ 167,769</u>	<u>\$ 176,111</u>	<u>\$ 166,075</u>

Note: The governmental fund balances do not include long-term debt or capital assets.

The Agency implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* for the year ended December 31, 2009. Statement No. 54 is intended to improve the usefulness of information provided to financial report users about fund balance by providing clearer, more structured fund balance classifications.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
 Changes in Fund Balances of Governmental Funds  
 For the Ten Years Ended December 31, 2014  
 (amounts expressed in thousands)

	2005	2006	2007	2008	2009
<b>Revenues:</b>					
Intergovernmental	\$ 38,838	\$ 36,864	\$ 43,907	\$ 35,111	\$ 34,038
Property taxes	50,173	50,219	71,839	70,163	67,792
Charges for services	1,269	1,402	1,658	1,607	1,346
Investment earnings	7,150	16,167	18,089	15,738	6,245
Income from assets held for resale	5,613	-	-	-	-
Miscellaneous	2,173	2,463	1,032	3,605	2,480
Total revenues	<u>105,216</u>	<u>107,115</u>	<u>136,525</u>	<u>126,224</u>	<u>111,901</u>
<b>Expenditures:</b>					
Current:					
Housing operations	9,212	3,527	1,131	1,625	1,568
Community development	57,262	65,966	79,044	82,787	76,167
Community services	3,231	2,796	3,179	3,580	3,586
Capital outlay	16,786	26,694	18,547	44,201	18,913
Debt service:					
Principal retirement	13,383	16,530	15,106	17,232	25,564
Interest and related charges	23,598	21,815	21,046	19,189	17,966
Advance refunding escrow	1,111	1,150	-	-	-
Total expenditures	<u>124,583</u>	<u>138,478</u>	<u>138,053</u>	<u>168,614</u>	<u>143,764</u>
Deficiency of revenues under expenditures	<u>(19,367)</u>	<u>(31,363)</u>	<u>(1,528)</u>	<u>(42,390)</u>	<u>(31,863)</u>
<b>Other Financing Sources(Uses):</b>					
Long-term debt issued	172,558	55,239	3,328	66,714	6,412
Proceeds from sale of capital assets	5,797	170	342	972	1,550
Transfers in	27,960	27,644	40,047	66,693	36,256
Transfers out	(28,616)	(21,729)	(40,968)	(73,706)	(37,605)
Total other financing sources (uses)	<u>148,723</u>	<u>49,718</u>	<u>2,749</u>	<u>60,673</u>	<u>6,613</u>
<b>Special Item:</b>					
Proceeds from sale of Sheraton Hotel	-	-	-	28,623	2,250
Forgiveness of Riverview Plaza debt	-	-	-	(1,000)	-
<b>Extraordinary Item-Dissolution of RDA</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ 129,356</u>	<u>\$ 18,355</u>	<u>\$ 1,221</u>	<u>\$ 45,906</u>	<u>\$ (23,000)</u>
<b>Debt service as a percentage of non-capital expenditures</b>	35%	35%	30%	29%	35%

Note: This statement includes all Special Revenue, Debt Service and Capital Projects Funds.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
 Changes in Fund Balances of Governmental Funds  
 For the Ten Years Ended December 31, 2014  
 (amounts expressed in thousands)

	2010	2011	2012	2013	2014
<b>Revenues:</b>					
Intergovernmental	\$ 52,961	\$ 54,043	\$ 33,525	\$ 31,466	\$ 30,792
Property taxes	61,367	52,083	-	-	-
Charges for services	1,637	1,433	1,419	1,533	707
Investment earnings	6,230	7,061	3,506	2,329	4,237
Income from assets held for resale	-	-	-	-	-
Miscellaneous	1,633	517	1,817	1,032	5,533
Total revenues	<u>123,828</u>	<u>115,137</u>	<u>40,267</u>	<u>36,360</u>	<u>41,269</u>
<b>Expenditures:</b>					
Current:					
Housing operations	3,789	2,360	9,326	10,703	11,360
Community development	100,755	76,050	19,891	19,824	26,082
Community services	9,133	5,848	2,860	2,946	3,745
Capital outlay	17,203	12,310	8,364	5,305	1,708
Debt service:					
Principal retirement	19,105	20,823	1,517	1,048	614
Interest and related charges	16,973	16,246	605	757	329
Advance refunding escrow	-	-	-	-	-
Total expenditures	<u>166,958</u>	<u>133,637</u>	<u>42,563</u>	<u>40,583</u>	<u>43,838</u>
Deficiency of revenues under expenditures	<u>(43,130)</u>	<u>(18,500)</u>	<u>(2,296)</u>	<u>(4,223)</u>	<u>(2,569)</u>
<b>Other Financing Sources(Uses):</b>					
Long-term debt issued	-	2,200	-	-	-
Proceeds from sale of capital assets	10,929	4,755	851	1,068	206
Transfers in	19,131	14,996	101,565	5,250	6,061
Transfers out	(21,375)	(16,309)	(101,702)	(5,899)	(2,746)
Total other financing sources (uses)	<u>8,685</u>	<u>5,642</u>	<u>714</u>	<u>419</u>	<u>3,521</u>
<b>Special Item:</b>					
Proceeds from sale of Sheraton Hotel	-	-	-	-	-
Forgiveness of Riverview Plaza debt	-	-	-	-	-
<b>Extraordinary Item-Dissolution of RDA</b>	<u>-</u>	<u>-</u>	<u>(180,795)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (34,445)</u>	<u>\$ (12,858)</u>	<u>\$ (182,377)</u>	<u>\$ (3,804)</u>	<u>\$ 952</u>
<b>Debt service as a percentage of non-capital expenditures</b>	24%	31%	6%	5%	2%

Note: This statement includes all Special Revenue, Debt Service and Capital Projects Funds.

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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
Ratios of Outstanding Debt by Type  
For the Ten Years Ended December 31, 2014  
(amounts expressed in thousands)

Fiscal Year	Governmental Activities		Business-Type Activities	Total Primary Government	Percentage of Actual Taxable Value of Property (2)	Percentage of Personal Income (1)	Per Capita (1)
	Notes Payable	Tax Allocation Bonds	Mortgage Notes Payable				
2005	\$ 56,715	\$ 314,621	\$ 680	\$ 372,016	6.61%	0.79%	\$ 269
2006	86,206	311,711	628	398,545	6.01%	0.81%	279
2007	86,713	299,426	572	386,711	4.97%	0.75%	231
2008	114,895	334,080	509	449,484	5.18%	0.83%	227
2009	109,126	320,306	1,067	430,499	4.85%	0.78%	223
2010	103,967	305,949	1,036	410,952	5.05%	0.75%	184
2011	99,898	290,961	2,580	393,439	5.21%	0.71%	174
2012	19,908	-	2,543	22,451	*N/A	0.04%	9
2013	18,379	-	2,503	20,882	*N/A	0.03%	9
2014	17,260	-	2,460	19,720	*N/A	0.03%	*N/A

Source: Agency Comprehensive Annual Financial Reports

Note: Details regarding the Agency's outstanding debt can be found in the notes to the financial statements

(1) See the "Demographic and Economic Statistics" table for personal income and population figures. Based on County of Sacramento population.

(2) Estimated actual value of taxable property cannot be easily determined as the property owned by SHRA is not reassessed annually. Reassessment normally occurs when ownership changes. Prior amounts were based on assessed values of redevelopment properties. With the dissolution of redevelopment that no longer applies.

\* Not available at this time

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
Demographic and Economic Statistics  
For the Ten Years Ended December 31, 2014  
(amounts expressed in thousands except per capita amount)

	2005	2006	2007	2008	2009
City population (1)	453	458	467	476	481
City assessed value (1)	\$ 27,911,260	\$ 32,037,151	\$ 36,674,108	\$ 40,345,605	\$ 41,560,435
County population (2)	1,349	1,361	1,370	1,381	1,394
County assessed value (2)	\$ 94,691,971	\$ 108,301,283	\$ 124,126,471	\$ 135,341,067	\$ 138,687,470
Unemployment Rate % (2)	5.6%	5.0%	4.8%	5.4%	7.2%
Personal Income (2)	\$ 46,835,937	\$ 48,997,083	\$ 51,707,729	\$ 53,920,784	\$ 55,319,306
Per Capita Personal Income (2)	\$ 34,721	\$ 36,006	\$ 37,755	\$ 39,040	\$ 39,671
City public housing authority low income housing units (3)	2,076	2,064	1,776	1,806	1,822
County public housing authority low income housing units (3)	1,098	1,087	923	1,037	1,017
County housing choice vouchers (3) (4)	11,087	11,120	11,123	11,245	11,245

## Sources:

- (1) City of Sacramento Comprehensive Annual Financial Report, Fiscal Year Ended June 30  
(2) County of Sacramento Comprehensive Annual Financial Report, Fiscal Year Ended June 30. The Bureau of Economic Analysis revised population and per capita personal income to reflect Census Bureau midyear population estimates available as of April 2012.  
(3) These statistics have been provided to assist in the analysis of the Agency's financial position. Demographic information specific to the City and County can be found in their annual reports. Amounts are not reported in thousands.  
(4) The City and County Housing Choice Voucher programs were combined into a single County program during 2005.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
Demographic and Economic Statistics  
For the Ten Years Ended December 31, 2014  
(amounts expressed in thousands except per capita amount)

	2010	2011	2012	2013	2014
City population (1)	486	470	471	474	475
City assessed value (1)	\$ 38,778,007	\$ 37,647,002	\$ 36,502,112	\$ 35,494,811	\$ 36,924,255
County population (2)	1,409	1,422	1,435	1,448	1,462
County assessed value (2)	\$128,939,293	\$126,016,298	\$121,921,878	\$118,563,859	\$123,924,200
Unemployment Rate % (2)	11.3%	12.7%	12.1%	10.5%	8.8%
Personal Income (2)	\$ 54,480,186	\$ 55,216,582	\$ 58,242,904	\$ 61,370,761	\$ 63,512,541
Per Capita Personal Income (2)	\$ 38,677	\$ 38,831	\$ 40,580	\$ 42,382	\$ 43,438
City public housing authority low income housing units (3)	1,798	1,799	1,868	1,866	1,753
County public housing authority low income housing units (3)	1,018	1,021	1,047	1,035	1,035
County housing choice vouchers (3) (4)	11,268	11,507	11,840	11,890	12,019

## Sources:

- (1) City of Sacramento Comprehensive Annual Financial Report, Fiscal Year Ended June 30
- (2) County of Sacramento Comprehensive Annual Financial Report, Fiscal Year Ended June 30. The Bureau of Economic Analysis revised population and per capita personal income to reflect Census Bureau midyear population estimates available as of April 2012.
- (3) These statistics have been provided to assist in the analysis of the Agency's financial position. Demographic information specific to the City and County can be found in their annual reports. Amounts are not reported in thousands.
- (4) The City and County Housing Choice Voucher programs were combined into a single County program during 2005.

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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
Principal Employers  
June 30, 2014 and 2005

Employer (a)	June 30, 2014			June 30, 2005		
	Employees (b)	Rank	Percentage of Total County Employment	Employees (c)	Rank	Percentage of Total County Employment (c)
Sutter / California Health Services	9,494	1	1.53%	11,284	2	1.81%
Kaiser Permanente	9,109	2	1.47%	11,729	1	1.88%
Dignity / Mercy Health Care (d)	7,397	3	1.19%	5,229	7	0.84%
Raley's Inc. / Bel Air	6,240	4	1.01%	8,203	3	1.31%
Intel Corporation	6,000	5	0.97%	6,500	5	1.04%
Wells Fargo & Co.	3,249	6	0.52%	-		
Hewlett-Packard	3,200	7	0.52%	4,500	8	0.72%
Cache Creek Casino Resort	2,400	8	0.39%	-		
Health Net of California	2,358	9	0.38%	-		
VSP Global	2,223	10	0.36%	-		
University of California, Davis (UCD)	-			8,000	4	1.28%
SBC Communications (a)	-			5,753	6	0.92%
Target Corporation	-			3,693	9	0.59%
Wal-Mart	-			3,300	10	0.53%
Total	<u>51,670</u>		<u>8.34%</u>	<u>68,191</u>		<u>10.92%</u>

(a) SBC Communications merged with AT & T in November 2005;

(b) Source: Sacramento Business Journal Annual Book of Lists

(c) Source: Sacramento Area Commerce and Trade Organization

(d) CHW reorganized its governance structure and changed its name to Dignity Health on January 2012.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
 Full-time Equivalent Agency Employees by Function/Program  
 For The Ten Years Ended December 31, 2014

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Function/Program:	2005	2006	2007	2008	2009
Administration	47.50	45.50	44.50	46.05	45.50
Housing	186.50	174.40	164.50	155.25	155.00
Community Development	83.30	81.50	88.60	87.50	87.50
Affiliated Organizations	<u>8.13</u>	<u>7.13</u>	<u>4.63</u>	<u>3.00</u>	<u>3.00</u>
Total agency	<u><u>325.43</u></u>	<u><u>308.53</u></u>	<u><u>302.23</u></u>	<u><u>291.80</u></u>	<u><u>291.00</u></u>

Source: Agency Annual Budgets

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
 Full-time Equivalent Agency Employees by Function/Program  
 For The Ten Years Ended December 31, 2014

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Function/Program:	2010	2011	2012	2013	2014
Administration	46.50	45.50	40.00	39.00	35.60
Housing	156.00	156.00	160.00	163.50	156.50
Community Development	85.50	87.50	51.00	50.50	32.90
Affiliated Organizations	<u>3.00</u>	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>	<u>0.00</u>
Total agency	<u><u>291.00</u></u>	<u><u>291.00</u></u>	<u><u>253.00</u></u>	<u><u>253.00</u></u>	<u><u>225.00</u></u>

Source: Agency Annual Budgets

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
Operating Indicators by Function  
For the Ten Years Ending December 31, 2014

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	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Affordable Housing (1):					
Public housing units occupied	3,023	2,904	2,742	2,806	2,845
Housing choice vouchers utilized	10,783	10,541	11,123	11,245	11,245
Multi-family housing units assisted (2)	353	1,064	1,496	774	504
Homeownership assistance (3)	180	137	221	247	401
Neighborhood Development:					
Planning activities	-	24	1	1	21
Infrastructure projects (4)	17	11	16	1	12
Community facilities (5)	8	29	11	-	12
Economic Development:					
Commercial loans	18	37	13	29	6

Source: Agency annual budgets and Consolidated Annual Performance Evaluation Reports (CAPER's)

- (1) Includes units encumbered by regulatory restrictions to maintain affordability
- (2) Includes both new and rehabilitated units
- (3) Includes developer assistance to build or rehabilitate affordable units, and direct assistance to homebuyers
- (4) Typical projects are traffic improvements to increase safety
- (5) Typical projects are community centers and parks

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
 Operating Indicators by Function  
 For the Ten Years Ending December 31, 2014

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	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Affordable Housing (1):					
Public housing units occupied	2,529	2,575	2,695	2,816	2,724
Housing choice vouchers utilized	11,268	11,228	11,774	11,326	11,826
Multi-family housing units assisted (2)	853	390	589	630	643
Homeownership assistance (3)	534	379	214	291	83
Neighborhood Development:					
Planning activities	22	7	7	4	1
Infrastructure projects (4)	40	12	28	15	8
Community facilities (5)	14	0	8	6	2
Economic Development:					
Commercial loans	23	2	0	0	0

Source: Agency annual budgets and Consolidated Annual Performance Evaluation Reports (CAPER's)

- (1) Includes units encumbered by regulatory restrictions to maintain affordability
- (2) Includes both new and rehabilitated units
- (3) Includes developer assistance to build or rehabilitate affordable units, and direct assistance to homebuyers
- (4) Typical projects are traffic improvements to increase safety
- (5) Typical projects are community centers and parks

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
Capital Assets by Function  
For the Ten Years Ending December 31, 2014

	2005	2006	2007	2008	2009
<b>Primary government:</b>					
<b>Governmental activities:</b>					
Housing operations (1)					
Land and Construction in progress	\$ 8,538	\$ 10,795	8,631	\$ 5,682	\$ 6,495
Depreciable buildings and improvements, and property and equipment, net	77	63	30	-	197
Total Housing operations	<u>8,615</u>	<u>10,858</u>	<u>8,661</u>	<u>5,682</u>	<u>6,692</u>
Community development (1)					
Land and Construction in progress	34,870	46,997	54,953	81,907	89,747
Depreciable buildings and improvements, and property and equipment, net	10,096	17,276	17,140	33,537	38,155
Total community development operations	<u>44,966</u>	<u>64,273</u>	<u>72,093</u>	<u>115,444</u>	<u>127,902</u>
Summary of governmental activities:					
Land and Construction in progress	43,408	57,792	63,584	87,589	96,242
Depreciable buildings and improvements, and property and equipment, net	10,173	17,339	17,170	33,537	38,352
Total governmental activities	<u>\$ 53,581</u>	<u>\$ 75,131</u>	<u>\$ 80,754</u>	<u>\$ 121,126</u>	<u>\$ 134,594</u>
<b>Business-type activities:</b>					
Local housing (1)					
Land and Construction in progress	\$ 1,241	\$ 1,749	\$ 1,843	\$ 2,203	\$ 3,420
Depreciable buildings and improvements, and property and equipment, net	8,471	8,569	8,248	7,876	7,469
Total local housing	<u>9,712</u>	<u>10,318</u>	<u>10,091</u>	<u>10,079</u>	<u>10,889</u>
Public housing (2)					
Land and Construction in progress	14,127	13,917	13,774	13,643	13,598
Depreciable buildings and improvements, and property and equipment, net	149,955	144,328	146,309	147,239	145,577
Total public housing	<u>164,082</u>	<u>158,245</u>	<u>160,083</u>	<u>160,882</u>	<u>159,175</u>
Housing choice vouchers					
Land and Construction in progress	-	-	-	-	-
Depreciable buildings and improvements, and property and equipment, net	-	-	-	44	34
Total housing choice vouchers	<u>-</u>	<u>-</u>	<u>-</u>	<u>44</u>	<u>34</u>
Summary of business-type activities:					
Land and Construction in progress	15,368	15,666	15,617	15,846	17,018
Depreciable buildings and improvements, and property and equipment, net	158,426	152,897	154,557	155,159	153,080
Total business-type activities	<u>\$ 173,794</u>	<u>\$ 168,563</u>	<u>\$ 170,174</u>	<u>\$ 171,005</u>	<u>\$ 170,098</u>
Total primary government	<u>\$ 227,375</u>	<u>\$ 243,694</u>	<u>\$ 250,928</u>	<u>\$ 292,131</u>	<u>\$ 304,692</u>
<b>Component units:</b>					
Local housing (1)					
Land and Construction in progress	\$ 2,728	\$ 2,728	\$ 2,728	\$ 5,160	\$ 7,344
Depreciable buildings and improvements, and property and equipment, net	86,665	81,717	79,128	76,221	73,338
Total component units-local housing	<u>\$ 89,393</u>	<u>\$ 84,445</u>	<u>\$ 81,856</u>	<u>\$ 81,381</u>	<u>\$ 80,682</u>

(1) Affordable housing

(2) Public housing

Source: Agency Finance Department

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
Capital Assets by Function  
For the Ten Years Ending December 31, 2014

	2010	2011	2012	2013	2014
<b>Primary government:</b>					
<b>Governmental activities:</b>					
Housing operations (1)					
Land and Construction in progress	\$ 19,475	\$ 25,549	25,035	\$ 24,472	\$ 20,023
Depreciable buildings and improvements, and property and equipment, net	374	379	233	114	441
Total Housing operations	<u>19,849</u>	<u>25,928</u>	<u>25,268</u>	<u>24,586</u>	<u>20,464</u>
Community development (1)					
Land and Construction in progress	86,143	76,399	26,606	19,159	5,207
Depreciable buildings and improvements, and property and equipment, net	39,161	30,701	13,530	12,671	10,634
Total community development operations	<u>125,304</u>	<u>107,100</u>	<u>40,136</u>	<u>31,830</u>	<u>15,841</u>
Summary of governmental activities:					
Land and Construction in progress	105,618	101,948	51,641	43,631	25,230
Depreciable buildings and improvements, and property and equipment, net	39,535	31,080	13,763	12,785	11,075
Total governmental activities	<u>\$ 145,153</u>	<u>\$ 133,028</u>	<u>\$ 65,404</u>	<u>\$ 56,416</u>	<u>\$ 36,305</u>
<b>Business-type activities:</b>					
Local housing (1)					
Land and Construction in progress	\$ 2,890	\$ 5,000	\$ 5,050	\$ 5,127	\$ 3,719
Depreciable buildings and improvements, and property and equipment, net	6,731	8,047	7,027	11,561	13,043
Total local housing	<u>9,621</u>	<u>13,047</u>	<u>12,077</u>	<u>16,688</u>	<u>16,762</u>
Public housing (2)					
Land and Construction in progress	13,713	16,005	16,559	12,725	12,483
Depreciable buildings and improvements, and property and equipment, net	136,069	133,660	133,459	133,676	146,244
Total public housing	<u>149,782</u>	<u>149,665</u>	<u>150,018</u>	<u>146,401</u>	<u>158,727</u>
Housing choice vouchers					
Land and Construction in progress	-	197	4,004	-	-
Depreciable buildings and improvements, and property and equipment, net	24	15	5	-	-
Total housing choice vouchers	<u>24</u>	<u>212</u>	<u>4,009</u>	<u>-</u>	<u>-</u>
Summary of business-type activities:					
Land and Construction in progress	16,603	21,202	25,613	17,852	16,202
Depreciable buildings and improvements, and property and equipment, net	142,824	141,722	140,491	145,237	159,287
Total business-type activities	<u>\$ 159,427</u>	<u>\$ 162,924</u>	<u>\$ 166,104</u>	<u>\$ 163,089</u>	<u>\$ 175,489</u>
Total primary government	<u>\$ 304,580</u>	<u>\$ 295,952</u>	<u>\$ 231,508</u>	<u>\$ 219,505</u>	<u>\$ 211,794</u>
<b>Component units:</b>					
Local housing (1)					
Land and Construction in progress	\$ 2,552	\$ 2,552	\$ 2,552	\$ 4,500	\$ 2,552
Depreciable buildings and improvements, and property and equipment, net	84,698	81,843	79,049	77,083	10,519
Total component units-local housing	<u>\$ 87,250</u>	<u>\$ 84,395</u>	<u>\$ 81,601</u>	<u>\$ 81,583</u>	<u>\$ 13,071</u>

(1) Affordable housing

(2) Public housing

Source: Agency Finance Department

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# *Other Supplemental Information*

- **Senate Bill 341-Low and Moderate Income Housing Asset Fund Report-City** - This Report sets forth certain details of the Housing Authority of the City of Sacramento (Housing Successor) activities for the year ended December 31, 2014.
- **Senate Bill 341-Low and Moderate Income Housing Asset Fund Report-County** - This Report sets forth certain details of the Housing Authority of the County of Sacramento (Housing Successor) activities for the year ended December 31, 2014.

**SENATE BILL 341 - LOW AND MODERATE INCOME HOUSING ASSET FUND REPORT  
PURSUANT TO SECTION 34176.1(F) OF THE  
CALIFORNIA HEALTH AND SAFETY CODE FOR THE  
HOUSING AUTHORITY OF THE CITY OF SACRAMENTO  
FOR THE YEAR ENDED DECEMBER 31, 2014**

The following Financial Report (Report) of the Low and Moderate Income Housing Asset Fund (LMIHAF) has been prepared pursuant to Section 34176.1(f) of the California Health and Safety Code and is dated July 28, 2015. This Report sets forth certain details of the Housing Authority of the City of Sacramento (Housing Successor) activities for the year ended December 31, 2014 (Year). The purpose of this Report is to provide the governing body of the Housing Successor an annual report on the housing assets and activities of the Housing Successor under Part 1.85, Division 24 of the California Health and Safety Code, in particular Sections 34176 and 34176.1 (Dissolution Law).

The following Report is based upon information contained within the Sacramento Housing and Redevelopment Agency's audit (Audit) for the year ended December 31, 2014 as prepared by management and conforms with – and is organized into the following 11 sections pursuant to Section 34176.1(f) of the Dissolution Law:

- I. **Amount Deposited into LMIHAF:** This section provides the total amount of funds deposited into the LMIHAF during the Year. Any amounts deposited for items listed on the Recognized Obligation Payment Schedule (ROPS) must be distinguished from the other amounts deposited.
- II. **Ending Balance in the LMIHAF:** This section provides a statement of the balance in the LMIHAF as of the close of the Year. Any amounts deposited for items listed on the ROPS must be distinguished from the other amounts deposited.
- III. **Description of Expenditures from the LMIHAF:** This section provides a description of expenditures from the fund by category, including, but not limited to, expenditures (A) for monitoring and preserving the long-term affordability of units subject to affordability restrictions or covenants entered into by the redevelopment agency or the housing successor and administering the activities described in paragraphs (2) and (3) of subdivision (a), (B) for homeless prevention and rapid rehousing services for the development of housing described in paragraph (2) of subdivision (a), and (C) for the development of housing pursuant to paragraph (3) of subdivision (a).
- IV. **Statutory Value of Assets Owned by Housing Successor:** This section provides the statutory value of real property owned by the Housing Successor, the value of loans and grants receivables, and the sum of these two amounts.

- V. Description of Transfers:** This section provides a description of any transfers made pursuant to paragraph (2) of subdivision (c) in the previous Year and, if still unencumbered, in earlier Years and a description of and status update on any project for which transferred funds have been or will be expended if that project has not yet been placed in service.
- VI. Project Descriptions:** This section describes any project for which the Housing Successor receives or holds property tax revenue pursuant to the ROPS and the status of that project.
- VII. Status of Compliance with Section 33334.16:** This section provides a status update on compliance with Section 33334.16 for interests in real property acquired by the former redevelopment agency prior to February 1, 2012. For interests in real property acquired on or after February 1, 2012, a status update on the project.
- VIII. Description of Outstanding Obligations Pursuant to Section 33413:** This section provides a description of any outstanding obligations pursuant to Section 33413 that remained to transfer to the housing successor on February 1, 2012, of the housing successor's progress in meeting those obligations, and of the housing successor's plans to meet unmet obligations. In addition, the housing successor shall include in the report posted on its Internet Web site the implementation plans of the former redevelopment agency.
- IX. Extremely-Low Income Test:** This section provides the information required by Section 34176.1(a)(3)(B), or a description of expenditures by income restriction for five year period, with the time period beginning January 1, 2014 and whether the statutory thresholds have been met. However, reporting of the Income Test is not required until 2019.
- X. Senior Housing Test:** This section provides the percentage of units of deed-restricted rental housing restricted to seniors and assisted individually or jointly by the Housing Successor, its former redevelopment Agency, and its host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted individually or jointly by the Housing Successor, its former redevelopment agency and its host jurisdiction within the same time period.
- XI. Excess Surplus Test:** This section provides the amount of any excess surplus, the amount of time that the Housing Successor has had excess surplus and the Housing Successor's plan for eliminating the excess surplus.

This Report is to be provided to the Housing Successor's governing body by June 30, 2015. In addition, this Report and the former redevelopment agency's pre-dissolution Implementation Plans are to be made available to the public on the Agency's website at [www.shra.org](http://www.shra.org).

**I. AMOUNT DEPOSITED INTO LMIHAF**

A total of \$4,015,161.30 was deposited into the LMIHAF during the Year. Of the total funds deposited into the LMIHAF, a total of \$1,856,187.47 was related to items listed on the ROPS.

**II. ENDING BALANCE IN THE LMIHAF**

Since this section does not define what “balance” is required, the fund balances presented in the LMIHAF are presented and detailed into their component amounts as follows as of December 31, 2014:

Components of Fund Balance	Amount
Restricted for Housing	\$59,796,530.08

Note: Of the \$59.8 million fund balance restricted for housing, approximately \$45.3 million represents the net loans receivable balance and \$6.3 million represent bond proceeds being held for future development of low and moderate income housing.

**III. DESCRIPTION OF EXPENDITURES FROM THE LMIHAF**

The following is a description of expenditures from the LMIHAF by category as of December 31, 2014:

Category	Amount
Monitoring & Administration Expenditures	\$ 3,310,435.38
Homeless Prevention and Rapid Rehousing Services Expenditures	722,208.03
Housing Development Expenditures	3,836,859.58
Total LMIHAF Expenditures in the Year	\$ 7,869,502.99

**IV. STATUTORY VALUE OF ASSETS OWNED BY HOUSING SUCCESSOR**

Under the Dissolution Law and for purposes of this Report, “statutory value of real property” means the value of properties formerly held by the former redevelopment agency as listed on the housing asset transfer form approved by the Department of Finance by the housing asset transfer schedule under Section 34176(a)(2), the value of the properties transferred to the Housing Successor pursuant to Section 34181(f), and the purchase price of properties purchased by the Housing Successor. Further, the value of loans and grants receivable is included in these reported assets held in the LMIHAF.

The following provides the statutory value of assets owned by the Housing Successor.

	<u>Amount</u>
Statutory Value of Real Property Owned by Housing Authority	\$11,865,789.21
Value of Loans and Grants Receivable	45,320,649.44
Total Value of Housing Successor Assets	<u>\$57,186,438.65</u>

**V. DESCRIPTION OF TRANSFERS**

The Housing Successor did not make any LMIHAF transfers to other Housing Successors pursuant to Section 34176.1(c)(2) during the Year.

**VI. PROJECT DESCRIPTIONS**

The Housing Successor did not receive nor currently holds any tax revenues pursuant to the ROPS during the Year.

**VII. STATUS OF COMPLIANCE WITH SECTION 33334.16**

Section 33334.16 requires that real property acquired using the LMIHAF must initiate activities consistent with the development of the property for the purpose for which it was acquired within five years from the date it first acquired the property.

The following provides a status update on the property or properties that have been acquired using LMIHAF prior to February 1, 2012:

<b>Street #</b>	<b>Street Name</b>	<b>Date of Acquisition</b>	<b>Deadline to Initiate Development Activity</b>	<b>Status of Housing Successor Activity</b>
0	A Street	07/31/1995	7/31/2000	no activity
1400	N. B St	10/21/2011	10/21/2016	no activity
1224	D Street	03/04/1985	3/5/1990	no activity
1017	10th Street	06/13/1994	6/14/1999	Shasta Hotel - land only. Building & improvements owned by Shasta Hotel Investors Partnership
1614	K Street	04/20/1988	4/21/1993	Pensione K - Leased - tenant maintains
2936	38th Street	12/19/1994	12/20/1999	no activity
2942	38th Street	12/19/1994	12/20/1999	no activity

3900	Broadway	10/29/1982	10/30/1987	no activity
3025	39th Street	02/23/1995	2/24/2000	no activity
3023	39th Street	02/23/1995	2/24/2000	no activity
3021	39th Street	01/30/2001	1/31/2006	no activity
3908	Broadway	10/29/1982	10/30/1987	no activity
4501	9th Avenue	03/21/1986	3/22/1991	Vacant Lot - leased to Fortune School
5266	Young Street	2/17/2011	2/18/2016	no activity
5270	Young Street	5/8/2009	5/9/2014	no activity
5300	Young Street	9/21/2010	9/22/2015	no activity
5320	Young Street	5/20/2010	5/21/2015	no activity
5340	Young Street	9/21/2010	9/22/2015	no activity
3515	ALBERGHINI ST	2/2/2009	2/3/2014	new subdivision map & APN's issued 6/19/2014
3521	ALBERGHINI ST	2/2/2009	2/3/2014	new subdivision map & APN's issued 6/19/2014
3509	ALBERGHINI ST	5/31/2006	6/1/2011	new subdivision map & APN's issued 6/19/2014
3500	ALBERGHINI ST	6/3/2005	6/4/2010	new subdivision map & APN's issued 6/19/2014
3506	ALBERGHINI ST	6/3/2005	6/4/2010	new subdivision map & APN's issued 6/19/2014
3510	ALBERGHINI ST	6/3/2005	6/4/2010	new subdivision map & APN's issued 6/19/2014
3516	ALBERGHINI ST	6/3/2005	6/4/2010	new subdivision map & APN's issued 6/19/2014
3520	ALBERGHINI ST	6/3/2005	6/4/2010	new subdivision map & APN's issued 6/19/2014
3524	ALBERGHINI ST	6/3/2005	6/4/2010	new subdivision map & APN's issued 6/19/2014
3523	HARRY BLOCK ST	7/20/2008	7/21/2013	new subdivision map & APN's issued 6/19/2014
3519	HARRY BLOCK ST	10/24/2005	10/25/2010	new subdivision map & APN's issued 6/19/2014
3515	HARRY BLOCK ST	10/24/2005	10/25/2010	new subdivision map & APN's issued 6/19/2014
3509	HARRY BLOCK ST	10/24/2005	10/25/2010	new subdivision map & APN's issued 6/19/2014
3505	HARRY BLOCK ST	10/24/2005	10/25/2010	new subdivision map & APN's issued 6/19/2014
3501	HARRY BLOCK ST	10/24/2005	10/25/2010	new subdivision map & APN's issued 6/19/2014
3500	HARRY BLOCK ST	10/24/2005	10/25/2010	new subdivision map & APN's issued 6/19/2014
3506	HARRY BLOCK ST	10/24/2005	10/25/2010	new subdivision map & APN's issued 6/19/2014

				issued 6/19/2014
3510	HARRY BLOCK ST	10/24/2005	10/25/2010	new subdivision map & APN's issued 6/19/2014
3516	HARRY BLOCK ST	10/24/2005	10/25/2010	new subdivision map & APN's issued 6/19/2014
3520	HARRY BLOCK ST	10/24/2005	10/25/2010	new subdivision map & APN's issued 6/19/2014
3524	HARRY BLOCK ST	10/24/2005	10/25/2010	new subdivision map & APN's issued 6/19/2014
3523	JIMMY POPE AV	2/16/2006	2/17/2011	new subdivision map & APN's issued 6/19/2014
3519	JIMMY POPE AV	2/16/2006	2/17/2011	new subdivision map & APN's issued 6/19/2014
3515	JIMMY POPE AV	2/16/2006	2/17/2011	new subdivision map & APN's issued 6/19/2014
3509	JIMMY POPE AV	2/16/2006	2/17/2011	new subdivision map & APN's issued 6/19/2014
3505	JIMMY POPE AV	2/16/2006	2/17/2011	new subdivision map & APN's issued 6/19/2014
3501	JIMMY POPE AV	2/16/2006	2/17/2011	new subdivision map & APN's issued 6/19/2014
3500	JIMMY POPE AV	2/25/2002	2/26/2007	new subdivision map & APN's issued 6/19/2014
3516	JIMMY POPE AV	2/25/2002	2/26/2007	new subdivision map & APN's issued 6/19/2014
3520	JIMMY POPE AV	11/1/2007	11/1/2012	new subdivision map & APN's issued 6/19/2014
3524	JIMMY POPE AV	12/13/2007	12/13/2012	new subdivision map & APN's issued 6/19/2014
704	SOUTH AV	10/28/2005	10/29/2010	new subdivision map & APN's issued 6/19/2014
705	FRAN BARKER AV	10/28/2005	10/29/2010	new subdivision map & APN's issued 6/19/2014
711	FRAN BARKER AV	5/19/2006	5/20/2011	new subdivision map & APN's issued 6/19/2014
725	FRAN BARKER AV	8/29/2007	8/29/2012	new subdivision map & APN's issued 6/19/2014
735	FRAN BARKER AV	3/28/2008	3/29/2013	new subdivision map & APN's issued 6/19/2014
601	FRAN BARKER AV	4/28/2010	4/29/2015	new subdivision map & APN's issued 6/19/2014
751	FRAN BARKER AV	6/22/2005	6/23/2010	new subdivision map & APN's issued 6/19/2014
750	FRAN BARKER AV	6/22/2005	6/23/2010	new subdivision map & APN's issued 6/19/2014

3450	TAYLOR ST	6/30/2005	7/1/2010	new subdivision map & APN's issued 6/19/2014
612	JOHNNIE MORRIS A	5/30/2006	5/31/2011	new subdivision map & APN's issued 6/19/2014
618	JOHNNIE MORRIS A	1/30/2006	1/31/2011	new subdivision map & APN's issued 6/19/2014
624	JOHNNIE MORRIS A	1/30/2006	1/31/2011	new subdivision map & APN's issued 6/19/2014
630	JOHNNIE MORRIS A	1/30/2006	1/31/2011	new subdivision map & APN's issued 6/19/2014
3415	LOUISE WILLIAMS	1/30/2006	1/31/2011	new subdivision map & APN's issued 6/19/2014
3407	LOUISE WILLIAMS	1/30/2006	1/31/2011	new subdivision map & APN's issued 6/19/2014
3400	LOUISE WILLIAMS	6/30/2005	7/1/2010	new subdivision map & APN's issued 6/19/2014
3406	LOUISE WILLIAMS	6/30/2005	7/1/2010	new subdivision map & APN's issued 6/19/2014
3412	LOUISE WILLIAMS	6/30/2005	7/1/2010	new subdivision map & APN's issued 6/19/2014
3418	LOUISE WILLIAMS	6/30/2005	7/1/2010	new subdivision map & APN's issued 6/19/2014
636	JOHNNIE MORRIS A	6/30/2005	7/1/2010	new subdivision map & APN's issued 6/19/2014
642	JOHNNIE MORRIS A	11/20/2006	11/21/2011	new subdivision map & APN's issued 6/19/2014
648	JOHNNIE MORRIS A	11/20/2006	11/21/2011	new subdivision map & APN's issued 6/19/2014
3401	ALBERGHINI ST	10/23/2007	10/23/2012	new subdivision map & APN's issued 6/19/2014
3405	ALBERGHINI ST	2/9/2006	2/10/2011	new subdivision map & APN's issued 6/19/2014
3409	ALBERGHINI ST	2/9/2006	2/10/2011	new subdivision map & APN's issued 6/19/2014
3424	ALBERGHINI ST	4/6/2006	4/7/2011	new subdivision map & APN's issued 6/19/2014
3420	ALBERGHINI ST	4/6/2006	4/7/2011	new subdivision map & APN's issued 6/19/2014
3416	ALBERGHINI ST	4/6/2006	4/7/2011	new subdivision map & APN's issued 6/19/2014
3410	ALBERGHINI ST	4/6/2006	4/7/2011	new subdivision map & APN's issued 6/19/2014
3406	ALBERGHINI ST	4/6/2006	4/7/2011	new subdivision map & APN's issued 6/19/2014
3400	ALBERGHINI ST	4/6/2006	4/7/2011	new subdivision map & APN's

				issued 6/19/2014
631	JOHNNIE MORRIS A	2/1/2006	2/2/2011	new subdivision map & APN's issued 6/19/2014
637	JOHNNIE MORRIS A	2/1/2006	2/2/2011	new subdivision map & APN's issued 6/19/2014
643	JOHNNIE MORRIS A	6/30/2006	7/1/2011	new subdivision map & APN's issued 6/19/2014
649	JOHNNIE MORRIS A	6/30/2006	7/1/2011	new subdivision map & APN's issued 6/19/2014
655	JOHNNIE MORRIS A	6/30/2006	7/1/2011	new subdivision map & APN's issued 6/19/2014
707	JOHNNIE MORRIS A	3/16/2006	3/17/2011	new subdivision map & APN's issued 6/19/2014
711	JOHNNIE MORRIS A	2/1/2006	2/2/2011	new subdivision map & APN's issued 6/19/2014
719	JOHNNIE MORRIS A	8/21/2007	8/21/2012	new subdivision map & APN's issued 6/19/2014
727	JOHNNIE MORRIS A	8/21/2007	8/21/2012	new subdivision map & APN's issued 6/19/2014
733	JOHNNIE MORRIS A	5/22/2008	5/23/2013	new subdivision map & APN's issued 6/19/2014
739	JOHNNIE MORRIS A	5/22/2008	5/23/2013	new subdivision map & APN's issued 6/19/2014
734	HAYES AV	2/1/2006	2/2/2011	new subdivision map & APN's issued 6/19/2014
3433	ALTOS AV	10/13/2005	10/14/2010	new subdivision map & APN's issued 6/19/2014
3401	LOUISE WILLIAMS	6/30/2005	7/1/2010	new subdivision map & APN's issued 6/19/2014
605	JOHNNIE MORRIS A	6/30/2005	7/1/2010	new subdivision map & APN's issued 6/19/2014
3419	ALBERGHINI ST	4/6/2006	4/7/2011	new subdivision map & APN's issued 6/19/2014
701	JOHNNIE MORRIS A	4/25/2006	4/26/2011	new subdivision map & APN's issued 6/19/2014
735	JOHNNIE MORRIS A	10/23/2007	10/23/2012	new subdivision map & APN's issued 6/19/2014
	Ford Road	06/14/2000	6/15/2005	Developer RFP 2014
	Carroll Avenue	10/01/1998	10/2/2003	Developer RFP 2014
3368	Taylor St	1/26/2009	1/27/2014	home is leased by Housing Authority as low income housing
3374	Taylor St	1/26/2009	1/27/2014	home is leased by Housing Authority as low income housing
3380	Taylor St	1/26/2009	1/27/2014	home is leased by Housing Authority as low income housing

608	Ford Rd	1/26/2009	1/27/2014	home is leased by Housing Authority as low income housing
612	Ford Rd	1/26/2009	1/27/2014	Developer RFP 2014
3381	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3375	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3369	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3363	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3357	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3351	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3345	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3339	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3333	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3327	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3321	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3315	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3307	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3301	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
615	Carroll Ave	1/26/2009	1/27/2014	Developer RFP 2014
609	Carroll Ave	1/26/2009	1/27/2014	Developer RFP 2014
3300	Taylor St	1/26/2009	1/27/2014	Developer RFP 2014
3308	Taylor St	1/26/2009	1/27/2014	Developer RFP 2014
3316	Taylor St	1/26/2009	1/27/2014	Developer RFP 2014
593	Carroll Ave	1/26/2009	1/27/2014	Developer RFP 2014
3311	Taylor St	1/26/2009	1/27/2014	Developer RFP 2014
3301	Taylor St	1/26/2009	1/27/2014	Developer RFP 2014
639	Carroll Ave	1/26/2009	1/27/2014	Developer RFP 2014
3300	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3308	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3316	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
660	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
671	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
667	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
661	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
653	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
641	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
640	Dora Hunting Ave	1/26/2009	1/27/2014	Developer RFP 2014
654	Dora Hunting Ave	1/26/2009	1/27/2014	Developer RFP 2014
660	Dora Hunting Ave	1/26/2009	1/27/2014	Developer RFP 2014
668	Dora Hunting Ave	1/26/2009	1/27/2014	Developer RFP 2014
672	Dora Hunting Ave	1/26/2009	1/27/2014	Developer RFP 2014
641	Dora Hunting Ave	1/26/2009	1/27/2014	Developer RFP 2014
653	Dora Hunting Ave	1/26/2009	1/27/2014	Developer RFP 2014
661	Dora Hunting Ave	1/26/2009	1/27/2014	Developer RFP 2014
667	Dora Hunting Ave	1/26/2009	1/27/2014	Developer RFP 2014

673	Dora Hunting Ave	1/26/2009	1/27/2014	Developer RFP 2014
640	Ford Rd	1/26/2009	1/27/2014	Developer RFP 2014
654	Ford Rd	1/26/2009	1/27/2014	Developer RFP 2014
660	Ford Rd	1/26/2009	1/27/2014	Developer RFP 2014
668	Ford Rd	1/26/2009	1/27/2014	Developer RFP 2014
674	Ford Rd	1/26/2009	1/27/2014	Developer RFP 2014
3360	Dorothy Hill St	1/26/2009	1/27/2014	Developer RFP 2014
3354	Dorothy Hill St	1/26/2009	1/27/2014	Developer RFP 2014
3346	Dorothy Hill St	1/26/2009	1/27/2014	Developer RFP 2014
3340	Dorothy Hill St	1/26/2009	1/27/2014	Developer RFP 2014
701	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
707	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
715	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
721	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
727	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
733	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
739	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
745	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
3	Mary Watts Ct	1/26/2009	1/27/2014	Developer RFP 2014
9	Mary Watts Ct	1/26/2009	1/27/2014	Developer RFP 2014
15	Mary Watts Ct	1/26/2009	1/27/2014	Developer RFP 2014
14	Mary Watts Ct	1/26/2009	1/27/2014	Developer RFP 2014
2	Mary Watts Ct	1/26/2009	1/27/2014	Developer RFP 2014
744	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
750	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
756	Wendell Echols W	1/26/2009	1/27/2014	Developer RFP 2014
3279	Taylor Rd	1/26/2009	1/27/2014	Developer RFP 2014
565	Charles Bradley Way	1/26/2009	1/27/2014	Developer RFP 2014
569	Charles Bradley Way	1/26/2009	1/27/2014	Developer RFP 2014
573	Charles Bradley Way	1/26/2009	1/27/2014	Developer RFP 2014
3272	Taylor St	1/26/2009	1/27/2014	Developer RFP 2014
3278	Taylor St	1/26/2009	1/27/2014	Developer RFP 2014
3284	Taylor St	1/26/2009	1/27/2014	Developer RFP 2014
3290	Taylor St	1/26/2009	1/27/2014	Developer RFP 2014
3296	Taylor St	1/26/2009	1/27/2014	Developer RFP 2014
608	Carroll Ave	1/26/2009	1/27/2014	Developer RFP 2014
607	Charles Bradley Way	1/26/2009	1/27/2014	Developer RFP 2014
611	Charles Bradley Way	1/26/2009	1/27/2014	Developer RFP 2014
614	Carroll Ave	1/26/2009	1/27/2014	Developer RFP 2014
3295	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3289	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3283	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3277	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3271	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014

3272	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3278	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3284	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3290	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3296	Auntine Burney S	1/26/2009	1/27/2014	Developer RFP 2014
3637	Rio Linda Blvd	11/01/2004	11/2/2009	no activity
3633	Rio Linda Blvd	11/01/2004	11/2/2009	no activity
3629	Rio Linda Blvd.	4/4/2008	4/5/2013	no activity
3617	Rio Linda Blvd	2/14/1990	2/15/1995	no activity
	Rio Linda Blvd	11/01/2004	11/2/2009	no activity
3605	Rio Linda Blvd	11/01/2004	11/2/2009	no activity
3601	Rio Linda Blvd	12/17/1990	12/18/1995	no activity
3621	Rio Linda Blvd	08/24/2007	8/24/2012	no activity
0	South Avenue	11/10/2009	11/11/2014	no activity
801	South Avenue	05/25/2007	5/25/2012	no activity
324	Fairbanks Avenue	08/11/1993	8/12/1998	Developer RFP 2014
1737	Kathleen Avenue	11/5/2008	11/6/2013	no activity
58	Arden Way	01/30/1991	1/31/1996	no activity

**VIII. DESCRIPTION OF OUTSTANDING OBLIGATIONS PURSUANT TO SECTION 33413**

According to the 2011 Implementation Plan for the former redevelopment agency, no replacement housing obligations were transferred to the Housing Successor.

**IX. EXTREMELY-LOW INCOME TEST**

Section 34176.1(a)(3)(B) requires that the Housing Successor must require at least 30% of the LMIHAF to be expended for development of rental housing affordable to and occupied by households earning 30% or less of the area median income (AMI). If the Housing Successor fails to comply with the Extremely-Low Income requirement in any five year report, then the Housing Successor must ensure that at least 50% of the remaining LMIHAF be expended in each fiscal year following the latest fiscal year following the report on households earning 30% or less of the AMI until the Housing Successor demonstrates compliance with the Extremely-Low Income requirement. This information is not required to be reported until 2019 for the 2014 – 2019 period.

**X. SENIOR HOUSING TEST**

The Housing Successor is to calculate the percentage of units of deed-restricted rental housing restricted to seniors and assisted by the Housing Successor, the former redevelopment agency and/or the City within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted by the Housing Successor, the former redevelopment agency and/or City within the same time period. If this percentage exceeds 50%, then the Housing Successor cannot expend future funds to assist additional senior housing units until the Housing Successor or City assists and construction has commenced a number of restricted rental units that is equal to 50% of the total amount of deed-restricted rental units.

The following provides the Housing Successor's Senior Housing Test for the 10 year period of January 1, 2005 through December 31, 2014:

	<u>1/1/2005 – 12/31/2014</u>
# of Assisted Senior Rental Units	1,103
# of Total Assisted Rental Units	3,081
Senior Housing Percentage	<u>35.8%</u>

**XI. EXCESS SURPLUS TEST**

The LMIHAF does not have Excess Surplus.

**SENATE BILL 341 - LOW AND MODERATE INCOME HOUSING ASSET FUND REPORT  
PURSUANT TO SECTION 34176.1(F) OF THE  
CALIFORNIA HEALTH AND SAFETY CODE FOR THE  
HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO  
FOR THE YEAR ENDED DECEMBER 31, 2014**

The following Financial Report (Report) of the Low and Moderate Income Housing Asset Fund (LMIHAF) has been prepared pursuant to Section 34176.1(f) of the California Health and Safety Code and is dated July 28, 2015. This Report sets forth certain details of the Housing Authority of the County of Sacramento (Housing Successor) activities for the year ended December 31, 2014 (Year). The purpose of this Report is to provide the governing body of the Housing Successor an annual report on the housing assets and activities of the Housing Successor under Part 1.85, Division 24 of the California Health and Safety Code, in particular Sections 34176 and 34176.1 (Dissolution Law).

The following Report is based upon information contained within the Sacramento Housing and Redevelopment Agency's audit (Audit) for the year ended December 31, 2014 as prepared by management and conforms with – and is organized into the following 11 sections pursuant to Section 34176.1(f) of the Dissolution Law:

- I. Amount Deposited into LMIHAF:** This section provides the total amount of funds deposited into the LMIHAF during the Year. Any amounts deposited for items listed on the Recognized Obligation Payment Schedule (ROPS) must be distinguished from the other amounts deposited.
- II. Ending Balance in the LMIHAF:** This section provides a statement of the balance in the LMIHAF as of the close of the Year. Any amounts deposited for items listed on the ROPS must be distinguished from the other amounts deposited.
- III. Description of Expenditures from the LMIHAF:** This section provides a description of expenditures from the fund by category, including, but not limited to, expenditures (A) for monitoring and preserving the long-term affordability of units subject to affordability restrictions or covenants entered into by the redevelopment agency or the housing successor and administering the activities described in paragraphs (2) and (3) of subdivision (a), (B) for homeless prevention and rapid rehousing services for the development of housing described in paragraph (2) of subdivision (a), and (C) for the development of housing pursuant to paragraph (3) of subdivision (a).
- IV. Statutory Value of Assets Owned by Housing Successor:** This section provides the statutory value of real property owned by the Housing Successor, the value of loans and grants receivables, and the sum of these two amounts.

- V. Description of Transfers:** This section provides a description of any transfers made pursuant to paragraph (2) of subdivision (c) in the previous Year and, if still unencumbered, in earlier Years and a description of and status update on any project for which transferred funds have been or will be expended if that project has not yet been placed in service.
- VI. Project Descriptions:** This section describes any project for which the Housing Successor receives or holds property tax revenue pursuant to the ROPS and the status of that project.
- VII. Status of Compliance with Section 33334.16:** This section provides a status update on compliance with Section 33334.16 for interests in real property acquired by the former redevelopment agency prior to February 1, 2012. For interests in real property acquired on or after February 1, 2012, a status update on the project.
- VIII. Description of Outstanding Obligations Pursuant to Section 33413:** This section provides a description of any outstanding obligations pursuant to Section 33413 that remained to transfer to the housing successor on February 1, 2012, of the housing successor's progress in meeting those obligations, and of the housing successor's plans to meet unmet obligations. In addition, the housing successor shall include in the report posted on its Internet Web site the implementation plans of the former redevelopment agency.
- IX. Extremely-Low Income Test:** This section provides the information required by Section 34176.1(a)(3)(B), or a description of expenditures by income restriction for five year period, with the time period beginning January 1, 2014 and whether the statutory thresholds have been met. However, reporting of the Income Test is not required until 2019.
- X. Senior Housing Test:** This section provides the percentage of units of deed-restricted rental housing restricted to seniors and assisted individually or jointly by the Housing Successor, its former redevelopment Agency, and its host jurisdiction within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted individually or jointly by the Housing Successor, its former redevelopment agency and its host jurisdiction within the same time period.
- XI. Excess Surplus Test:** This section provides the amount of any excess surplus, the amount of time that the Housing Successor has had excess surplus and the Housing Successor's plan for eliminating the excess surplus.

This Report is to be provided to the Housing Successor's governing body by June 30, 2015. In addition, this Report and the former redevelopment agency's pre-dissolution Implementation Plans are to be made available to the public on the Agency's website at [www.shra.org](http://www.shra.org).

## I. AMOUNT DEPOSITED INTO LMIHAF

A total of \$829,449.44 was deposited into the LMIHAF during the Year. Of the total funds deposited into the LMIHAF, a total of \$812,824.00 was related to items listed on the ROPS.

## II. ENDING BALANCE IN THE LMIHAF

Since this section does not define what “balance” is required, the fund balances presented in the LMIHAF are presented and detailed into their component amounts as follows as of December 31, 2014:

Components of Fund Balance	Amount
Restricted for Housing	\$16,728,400.60

Note: Of the \$16.7 million fund balance restricted for housing, approximately \$15.9 million represents the net loans receivable balance.

## III. DESCRIPTION OF EXPENDITURES FROM THE LMIHAF

The following is a description of expenditures from the LMIHAF by category as of December 31, 2014:

Category	Amount
Monitoring & Administration Expenditures	\$ 691,410.29
Total LMIHAF Expenditures in the Year	\$ 691,410.29

## IV. STATUTORY VALUE OF ASSETS OWNED BY HOUSING SUCCESSOR

Under the Dissolution Law and for purposes of this Report, “statutory value of real property” means the value of properties formerly held by the former redevelopment agency as listed on the housing asset transfer form approved by the Department of Finance by the housing asset transfer schedule under Section 34176(a)(2), the value of the properties transferred to the Housing Successor pursuant to Section 34181(f), and the purchase price of properties purchased by the Housing Successor. Further, the value of loans and grants receivable is included in these reported assets held in the LMIHAF.

The following provides the statutory value of assets owned by the Housing Successor.

	<u>Amount</u>
Statutory Value of Real Property Owned by Housing Authority	\$ 2,149,805.00
Value of Loans and Grants Receivable	15,890,600.00
Total Value of Housing Successor Assets	<u>\$18,040,405.00</u>

**V. DESCRIPTION OF TRANSFERS**

The Housing Successor did not make any LMIHAF transfers to other Housing Successors pursuant to Section 34176.1(c)(2) during the Year.

**VI. PROJECT DESCRIPTIONS**

The Housing Successor did not receive nor currently holds any tax revenues pursuant to the ROPS during the Year.

**VII. STATUS OF COMPLIANCE WITH SECTION 33334.16**

Section 33334.16 requires that real property acquired using the LMIHAF must initiate activities consistent with the development of the property for the purpose for which it was acquired within five years from the date it first acquired the property.

The following provides a status update on the property or properties that have been acquired using LMIHAF prior to February 1, 2012:

<b>Street #</b>	<b>Street Name</b>	<b>Date of Acquisition</b>	<b>Deadline to Initiate Development Activity</b>	<b>Status of Housing Successor Activity</b>
5258	Young St	07/30/2010	7/30/2015	no activity
5716	Stockton Blvd	7/30/2008	7/30/2013	no activity
0	Elkhorn Blvd	10/3/2007	10/2/2012	no activity

## VIII. DESCRIPTION OF OUTSTANDING OBLIGATIONS PURSUANT TO SECTION 33413

According to the 2011 Implementation Plan for the former redevelopment agency, no replacement housing obligations were transferred to the Housing Successor.

## IX. EXTREMELY-LOW INCOME TEST

Section 34176.1(a)(3)(B) requires that the Housing Successor must require at least 30% of the LMIHAF to be expended for development of rental housing affordable to and occupied by households earning 30% or less of the AMI. If the Housing Successor fails to comply with the Extremely-Low Income requirement in any five year report, then the Housing Successor must ensure that at least 50% of the remaining LMIHAF be expended in each fiscal year following the latest fiscal year following the report on households earning 30% or less of the AMI until the Housing Successor demonstrates compliance with the Extremely-Low Income requirement. This information is not required to be reported until 2019 for the 2014 – 2019 period.

## X. SENIOR HOUSING TEST

The Housing Successor is to calculate the percentage of units of deed-restricted rental housing restricted to seniors and assisted by the Housing Successor, the former redevelopment agency and/or the City within the previous 10 years in relation to the aggregate number of units of deed-restricted rental housing assisted by the Housing Successor, the former redevelopment agency and/or City within the same time period. If this percentage exceeds 50%, then the Housing Successor cannot expend future funds to assist additional senior housing units until the Housing Successor or City assists and construction has commenced a number of restricted rental units that is equal to 50% of the total amount of deed-restricted rental units.

The following provides the Housing Successor's Senior Housing Test for the 10 year period of January 1, 2005 through December 31, 2014:

	1/1/2005 – 12/31/2014
# of Assisted Senior Rental Units	218
# of Total Assisted Rental Units	1,797
Senior Housing Percentage	12.1%

## XI. EXCESS SURPLUS TEST

The LMIHAF does not have Excess Surplus.

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INVESTING IN COMMUNITIES